

Doing Business in Utah!



*a guide
to business
information*



2001

This booklet is a joint effort representing the

Utah Department of Commerce
Utah Department of Community and Economic Development
Utah Department of Environmental Quality
Utah Department of Workforce Services
Utah Labor Commission
Utah Small Business Development Center
Utah State Tax Commission
Internal Revenue Service
US Small Business Administration

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STATE OF UTAH

MICHAEL O. LEAVITT
GOVERNOR

OFFICE OF THE GOVERNOR
SALT LAKE CITY
84114-0601

OLENE S. WALKER
LIEUTENANT GOVERNOR



Dear Friends,

At the dawn of the 21st century, small businesses in Utah remain a basic key to the stability of our state's vibrant economy. Their strength and vitality contribute to our continued growth and prosperity.

Utah offers unique and desirable conditions for both small and large businesses alike. Remarkable economic growth, a well-educated workforce, dependable infrastructure, cultural diversity, and status as a world-class business hub are balanced by pristine natural resources, diverse recreational venues, safe communities, and a standard of living well above the national average.

Doing Business in Utah outlines most of the basic state, federal, and local requirements for starting a business in Utah, and contains information on assistance available through local agencies and organizations.

I hope you find this material useful, and I wish you success in your business endeavors.

Sincerely,

A blue ink signature of Michael O. Leavitt. The signature is written in a cursive, flowing style, with the first name "Michael" and last name "Leavitt" clearly visible.

Michael O. Leavitt
Governor

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A Step by Step Summary for Doing Business in Utah

The *Doing Business in Utah* publication provides information and instructions on how to start a business, regulations that need to be complied with, sources of assistance, and much more. Although it is a step-by-step guide for new business owners, existing business owners may also benefit from the information and are encouraged to use this publication.

The information in this publication is as current as its press date (see inside of front cover); however, changes in law or policy may affect the accuracy of some of its content. Most agencies contributing to this booklet have Internet sites where you may find more detailed and up-to-date information. Look for home page addresses in the directory of this booklet. To view the *Doing Business in Utah* web publication, please access the Department of Community and Economic Development's Business Library at:

www.dced.state.ut.us/nav/library/

Step 1: Assess Yourself and Your Business Idea

Self-Evaluation and Checklist for Starting a New Business

Before going into business for yourself, you may wish to determine the viability of your business venture. You can start by completing the following checklist.

	Very Definitely	Likely	Not Sure	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1.	Is there a real market for the product or service?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2.	Can you access the market?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3.	Is your product or service competitive with others?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4.	Is the risk manageable? Can you personally survive a failure?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5.	Is the cash flow from operations adequate?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6.	Will your income be adequate?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7.	Do you have your family's support to start your business?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8.	Do you have initiative, real desire, and tenacity? Do you have leadership abilities?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9.	Are you realistic? Do you have an objective and not just an "I can lick the world" attitude?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10.	Can you obtain the necessary financing capital?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11.	Is there a reliable supply of materials to make the product or perform the service?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12.	Can you find enough good people to staff the organization?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13.	Can you obtain the required professional and technical assistance when necessary?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14.	Do you have adequate knowledge to conduct the business and its management?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15.	Are promotion ability and charisma required and do you have these qualities?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16.	Can you work well with customers and others?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.	Can you work comfortably with regulations, government permits and restrictions?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	18.	Has this business been tried before? If not, are you sure it can be done?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	19.	Are you aware of who your competition is, and can you successfully deal with them?
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	20.	Would customers buy from you rather than from your competition?

Do You Have a Feasible Idea?

A good business idea must be able to fill a need or a want of consumers. Generating this successful idea is one of the biggest steps in the development of a business. The entrepreneur, however, will find there is a great deal of work necessary to see the idea to fruition. Many underlying questions must be answered before the viability of a business idea can be confirmed. A carefully written business plan based on thorough research can answer these questions for you.

If your business idea is not original or does not meet consumer needs, the key will be how the idea can be improved upon or made superior to the competition. The entrepreneur should ask: Why will someone buy from me instead of the competition? What value do I add to the business?

A Successful Business Idea Should Have Most, If Not All, of the Following Characteristics

1. It should have a relative advantage over existing products or services.
2. The idea must be compatible with existing attitudes and beliefs. It shouldn't require a drastic change in the buyer's behavior.
3. It should not be so complex that the buyer has a difficult time understanding how to use it.
4. The results or benefits of the innovation must be easy to explain to potential users.
5. It is helpful if users can try the innovation without incurring a large risk, such as through samples or trial usage.
6. The innovation must be readily available to purchase by the consumer.
7. The buyer must believe that the innovation satisfies a personal need by giving some immediate benefit.

If Your Idea is a New Product or Invention, It Must Pass the Following Four Tests

1. **Is the idea original?** There are a number of ways to determine this. If it is a consumer product, you should check stores, catalogs, trade associations, publications and shows. If it is an invention that can be patented, a patent search can be done.
2. **How will the invention be produced and distributed?** The extremes range from starting your own company, producing items yourself, working out of your home and selling by mail order, to convincing a big business to buy the idea. Any method presents challenges that must be carefully considered.
3. **Will your idea make money?** This is a question that is difficult to answer with any certainty. Many factors need to be considered. Is there a market, and where is it? Could the size of the market change suddenly? Will competition drive you out? The preparation of a carefully organized business plan can help shed light on these questions.
4. **Can you protect your idea?** If you have tentatively satisfied the question of originality, production, distribution and salability, the protection of the idea through patent laws should be considered.

Protecting Your Idea

If applicable to your business, you may want to apply for trademarks, patents and copyrights. Information regarding these applications is listed below.

Trademarks

Trademarks are names or symbols used in any commerce that is subject to regulation by state government or the U.S. Congress.

State Registration of a Trademark

Trademarks and service marks may be registered in Utah for a term of ten years.

Form:

Application for Registration of Trademark or Service Mark

Filing Fee:

Original Application - \$20.00

Renewal Application - \$20.00

Contact:

Trademark Coordinator
Division of Corporations and Commercial Code
160 East 300 South, Box 146705
Salt Lake City, UT 84114-6705
(801) 530-4849
Toll Free: (877) 526-3994 (Utah residents)
www.commerce.state.ut.us

**Federal Registration
of a Trademark and Patent**

To register a trademark:

Contact:

Trademark Information Hotline
(703) 308-9000 or 1-800-786-9199
Asst. Commissioner for Trademarks
2900 Crystal Drive
Arlington, VA 22202

To register a patent:

Contact:

Assistant Commissioner for Patents
Patent Applications
Washington, DC 20231
1-800-786-9199

Federal trademark information is also available at the Marriott Library at the University of Utah.

Caution: Federally registered trademarks may conflict with and supersede Utah registered business and product names. Businesses are encouraged to check for conflicts with federal trademarks.

Patents

Contact:

Superintendent of Documents
PO Box 371954
Pittsburgh, PA 15250-7954
(202) 512-1800

New and useful inventions can be protected by a U.S. patent. Professional assistance from a patent attorney is strongly urged because patent procedures are detailed and technical. A patent search is performed to

see if a patent currently exists on the same or nearly the same device, and if not, to make proper application with the Patent Office.

Note: Only attorneys and agents registered with the U.S. Patent Office may represent inventors in related matters. The office has geographical and alphabetical listings of the more than 11,000 registered agents. Only these agents may perform patent searches in the patent office. Inventors or their attorneys can make arrangements with one of those agents. Information is also available at the Marriott Library at the University of Utah.

U.S. patents are issued by the Assistant Commissioner of Patents, Washington, DC 20231.

Additional information is provided in the publications, *General Information Concerning Patents*, and other publications distributed through the U.S. Patent and Trademark Office.

Copyrights

Contact:

U.S. Copyright Office
U.S. Library of Congress
James Madison Memorial Building
Washington, DC 20559
(202) 707-9100 - Order line
(202) 707-3000 - Information line

Copyrights protect the thoughts and ideas of authors, composers, and artists. A copyright prevents illegal copying of written matter, works of art, or computer programs. In order to ensure copyright protection, the copyright owner should always include notices on all copies of the work. The following elements should be listed:

- The name of the copyright owner
- The words "Copyright protected"
- The year in which the work was first distributed

Copyright registration is available to more fully protect the copyright.

Acquiring a Business

For some people, acquiring a business through purchase or trade may be an excellent alternative to starting a new business from scratch.

As with any business entity, good judgment and competent advice are essential. Just as the term “business” has many meanings, exactly what is being acquired in a business may be understood differently by different people. Caution, prudence and diligence must be practiced in acquiring an existing business or in starting a new one.

Where To Find Businesses To Buy

- Personal friends, acquaintances and contact with other business activities
- Business opportunity advertisements and general business newspapers
- Acquisition wanted advertisements
- Trade associations
- Chambers of Commerce directories
- Government agency publications, directories and yellow pages
- Business brokers and consultants
- Commercial real estate brokers
- Bank trust officers
- Commercial loan officers with banks, savings and loans, and thrifts
- Securities brokers
- Public accounting firms
- Law firms
- Venture capital firms
- Insurance brokers and agents

What Is Being Acquired?

Seek competent financial and legal advice. This does not need to be expensive if information is gathered and questions for advisors are prepared in advance.

- What special assets are included in the acquisition?
- How much “good will” is part of the price?
- If the seller leaves, does the good will evaporate?
- Is there special technical expertise that will go when the seller goes?
- What liabilities will be assumed?
- Can a similar business be started for less?

A deal should be made only after careful review. Determine whether a seller is:

1. Serious
2. Willing to discuss the pricing and terms of the sale
3. Willing to have all terms reviewed by your advisor

Signed agreements, properly reviewed, are essential. A competent business consultant can help arrive at proper values.

Caution: When purchasing a business, the purchaser may be liable for debts of the seller or the acquired business. Always seek professional legal advice from an attorney to help avoid serious legal liabilities.

Step 2: Prepare a Written Business Plan

Business Planning

The importance of a detailed, written business plan cannot be overemphasized. It is the “road map” by which you make some of your most important business decisions. This map helps you know where you are, where you want to be, and how to get there. Without an adequate business plan, you risk making many vital decisions based on guesswork and mistaken assumptions.

Business planning is the key to successful business ventures and is a constant process. Business planning requires continuous collection of facts and data; it forces you to honestly and objectively analyze the important details of your business activity.

A comprehensive written business plan is one of your most effective tools for a successful business venture.

Your business plan should be sufficiently detailed and prepared. Solid business plans require considerable effort and can't be abbreviated if they are to be of value.

A written plan will help you in the following ways:

- **Development** - Particularly in start-up situations, the plan can function as a “to do” list. It helps you establish strategic plans, set realistic deadlines, and delegate assignments. It sets deadlines for you.
- **Management Planning** - The plan forces you to consider the interrelationships of each facet of the business and often becomes the operating bible for the management of your company.
- **Communications** - Whether it be your banker, supplier or outside consultants, owning and operating a business involves letting key people know what you are doing and what your intentions may be in the future.

- **Sales Presentation for Funding** - Many business plans are written for the purpose of raising capital. A good plan must be well researched and documented. It will have realistic financial projections and assumptions, which can be substantiated.

Essentials of the Plan

Your business plan should consist of the following five parts.

1. Business Goals and Objectives

- What do you seek to do as a business?
- Why do you seek to engage in this business?
- What do you seek to accomplish in this business in one year, two years, three years, and so on?

2. Business “Playing Field”

- Describe the services or products on which you will base your business.
- Describe who and where your market is.
 - › Explain the characteristics of your target market population by age groups, income and education levels.
 - › Identify where these target populations are located.
 - › Identify swings and shifts in your target market.
- Identify your competition.
 - › Name your competition and where they are located.
 - › Explain why these businesses are your possible competitors.
- Analyze why customers will come to you instead of your competition.
- Analyze how your competition conducts business, markets to the public, and manages affairs.

- Identify businesses similar to yours in circumstances like yours.
 - › Identify why they have succeeded or struggled.
 - › Identify why your chances of succeeding are better than those that have not.

3. Financial Viability

- Identify all costs and expenses of your business in detail by day, week, month and year. Be certain to include all rental costs, labor costs, tax withholdings, interest on financing, inventory financing costs, advertising expenses and unexpected expenses.
- Schedule your expenses according to payment due dates so you know how much money you must have ready for paying bills by their due dates.
- Identify and document your revenue expectations.
- Identify all your sources of revenue.
 - › Identify the times of the day, week, month and year you anticipate revenue.
 - › Identify and document the amounts of revenue you anticipate earning, according to the schedule you have identified.
- Identify how you will manage your revenues in deposit banking and “on-hand-cash.”
- Identify how you will manage and invest excess funds.
- Identify your contingency alternatives in the event your revenues fail to meet minimum requirements in a given month or over a 12-month period.
 - › Identify how you can adjust your marketing strategies to increase revenues.
 - › Identify how you will develop a reserve fund to finance your contingency marketing strategies.

4. Capital Start-Up Needs and Sources

- Based on your identified operating expenses and anticipated revenues, identify how much capital you will need to stay in business while revenues do not cover all of your expenses, and how long you can operate.

- Identify your funding sources:
 - › Personal assets and money
 - › Assets available for loan collateral
 - › Financial resources identified in this booklet

5. Business Plan Document

- Prepare your final document in presentable form for possible review by financial lenders and business assistance experts.
- Maintain your document in a format convenient for continuous review and updating.

Components

A completed plan should demonstrate that you have a full understanding of the following:

- Your company and industry
- Your product or service
- Indicators of success/failure
- Technology you will utilize
- Market analysis
- Competition analysis
- Marketing and sales objectives and strategies
- Risks involved
- Manufacturing (if appropriate)
- Management/Ownership
- Financial data and projections
- Goals for the company

If it will be used as a funding document, it should also include:

- Funding request
- Use of funds
- Terms of repayment

Note: Even if no funding is sought, reviewing your carefully drafted business plan with someone else can help avoid unforeseen problems or weaknesses.

Sources of Assistance

For those starting new businesses or who are in business already but need assistance, several excellent organizations and agencies can help in a variety of ways. Table 1 represents the services provided by

TABLE 1**Organizations Providing Assistance for Businesses**

Program or Organization	Type of Assistance					Type of Business Helped				
	Information	Counseling	Financial	Networking	Training	Small Business	Minority	High Tech	Innovative	International Export
1. Bureau of Economic and Business Research	✓									
2. Chambers of Commerce	✓					✓				
3. Department of Commerce	✓		✓			✓		✓	✓	✓
4. Department of Workforce Services	✓	✓				✓		✓	✓	
5. Deseret Certified Development Company (DCDC)*	✓			✓		✓				
6. Economic Development Corporation of Utah	✓		✓					✓	✓	✓
7. Internal Revenue Service	✓					✓		✓		
8. MountainWest Venture Group	✓					✓	✓	✓	✓	
9. National Assoc. of Women Business Owners/S.L. Chapter	✓					✓	✓		✓	
10. Northern Utah Capital Corporation*	✓			✓				✓		
11. Salt Lake Area Chamber of Commerce*	✓					✓	✓	✓	✓	✓
12. Salt Lake City Data Center*	✓							✓	✓	✓
13. SLCC Larry H. Miller Entrepreneurship Training Center*	✓					✓	✓	✓	✓	✓
14. SmartUTAH*						✓	✓			
15. U.S. Forest Service*	✓			✓						
16. U.S. Small Business Administration *	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
a. Business Information Center	✓	✓				✓	✓	✓		
b. Service Corps of Retired Executives (SCORE)*	✓	✓				✓	✓	✓		✓
c. Small Business Development Centers (BIC)*	✓	✓	✓			✓	✓	✓		✓
d. Women's Business Development Center *	✓	✓				✓	✓	✓		
17. U.S. Department of Agriculture – Rural Development*	✓			✓						
18. Utah Alliance for Economic Development	✓					✓		✓	✓	✓
19. Utah Custom Fit Training						✓	✓	✓	✓	✓
20. Utah Department of Environmental Quality*	✓	✓				✓	✓	✓	✓	✓
21. Utah Div. of Business and Economic Development *										
a. Business Development *	✓	✓				✓		✓	✓	✓
b. Ethnic Affairs*	✓	✓				✓		✓		
c. International Business Development *	✓	✓	✓			✓	✓	✓	✓	✓
d. National Business Development *	✓	✓				✓	✓	✓	✓	✓
e. Utah Procurement Technical Assistance Cntr. *	✓	✓				✓	✓	✓	✓	✓
22. Utah Information Technologies Association (UITA)	✓					✓	✓	✓	✓	✓
23. Utah Manufacturing Extension Partnership (Utah MEP)*	✓	✓		✓		✓	✓	✓	✓	✓
24. Utah Small Cities Inc.	✓					✓		✓	✓	✓
25. Utah State Tax Commission	✓						✓	✓		
26. Utah Supplier Development Council*	✓					✓		✓		
27. Utah Technology Finance Corporation *	✓			✓			✓	✓	✓	✓
28. Wayne Brown Institute	✓	✓	✓	✓		✓		✓	✓	

*Part of the Utah Business Resources Network (UBRN)

Numbers refer to the numbered headings in this section

organizations. For example, Table 1 shows that the Utah Small Business Development Center provides assistance in the areas of information, counseling, networking and training.

The following section includes brief descriptions of the activities of assistance organizations, as well as their addresses, telephone numbers and Internet addresses. Other important sources for information are the local chapters of national trade and professional associations.

Organizations Providing Assistance for Businesses

Heading numbers refer to Table 1 in this section.

For information on any of the following agencies or organizations, call the Utah Business Resource Network (UBRN), at 1-888-599-UBRN. The UBRN is a statewide network of agencies that provides assistance to small businesses.

1. Bureau of Economic and Business Research

401 Kendall D. Garff Building
University of Utah
Salt Lake City, UT 84112
(801) 581-6333
E-mail: bebrcbc@business.utah.edu
www.business.utah.edu/bebr/

Maintains comprehensive and timely information base on the Utah and Rocky Mountain regional economies, and uses computer models for data analysis. Periodicals include:

- *Utah Economic and Business Review*, featuring articles on economic development with monthly selected business statistics
- *Utah Construction Report*, reporting statistics on construction permits in Utah

2. Chambers of Commerce

Chambers of Commerce are an excellent source of business information. See the index for telephone listings of Chambers in Utah.

3. Department of Commerce

160 East 300 South, Box 146701
Salt Lake City, UT 84114-6701
(801) 530-6955
www.commerce.state.ut.us

Enhances commerce in the state by setting and enforcing fair standards of conduct for businesses and professionals, assisting in the regulation of public utilities, and providing consumer education and assistance. The Department is comprised of seven divisions: Consumer Protection, Corporations and Commercial Code, Occupational and Professional Licensing, Public Utilities, Real Estate, and Securities. The Committee of Consumer Services, an independent advocacy agency for utility matters, is also housed administratively in the Department.

4. Department of Workforce Services

140 East 300 South
Salt Lake City, UT 84111
(801) 526-WORK
Fax: (801) 526-9211
www.dws.state.ut.us

Provides a comprehensive array of employment services to Utah job seekers and employers. Employer services include placement assistance; workforce information, such as labor supply and demand, hours and earnings, and unemployment rates by county and state; child care program development; tax credits; bonding services; and more. These services are offered with no fees.

5. Deseret Certified Development Company (DCDC)

2595 East 3300 South
Salt Lake City, UT 84109
(801) 474-3232
Fax: (801) 493-0111
E-mail: deseretcdc@aol.com

6. Economic Development Corporation of Utah

One Utah Center
201 South Main Street, Suite 2010
Salt Lake City, UT 84111
(801) 328-8824
Fax: (801) 531-1460
E-mail: edcu@slc.bfp.org
www.edcutah.org

The Economic Development Corporation of Utah is a private, nonprofit organization which serves as a catalyst for increased capital investment and quality job growth in Utah. This is accomplished through four core functions:

- Recruit targeted businesses for location throughout the State of Utah
- Facilitate the delivery of public and private resources to Salt Lake County businesses
- Market Utah's assets as a business location to key decision makers
- Invest EDCU grant monies in local promotion, professional development, and economic development-related events throughout the State of Utah

7. Internal Revenue Service

50 South 200 East
Salt Lake City, UT 84111
Information: 1-800-829-1040
Forms: 1-800-829-3676

IRS and Tax Commission Co-location
210 North 1950 West
Salt Lake City, UT 84134

324 25th Street
Ogden, UT 84401

88 West 100 North
Provo, UT 84601

For more information, see Internal Revenue Service in the Federal Government Requirements section of Step 5.

8. Mountain West Venture Group (MWVG)

6952 High Tech Drive, Suite A
Midvale, UT 84047
(801) 537-5222
Fax: (801) 566-0880

The Mountain West Venture Group is a nonprofit organization that identifies, monitors and recognizes "deal flow" within the state of Utah. Through the exchange of ideas, services and acquaintances, the Group seeks to foster the investment of risk funds. Along with a monthly meeting, a monthly newsletter and the Utah Deal Flow book, the MWVG hosts an annual awards luncheon that identifies and recognizes Utah's 100 fastest growing companies.

9. National Association of Women Business Owners Salt Lake Chapter (NAWBO)

First Security Bank Building
1073 East 2100 South
Salt Lake City, UT 84106
(801) 579-8399
Fax: (801) 487-3374
E-mail: office@nawboslc.org
Web Page: www.nawboslc.org

This is the Salt Lake Chapter of the National Association of Women Business Owners. It is an organization for current and prospective women business owners, providing networking, support and information.

10. Northern Utah Capital

2404 Washington Blvd., Suite 1100
Ogden, UT 84401
(801) 627-1333
Fax: (801) 627-6687
E-mail: rrichards@nucdc.com

11. Salt Lake Area Chamber of Commerce (SLACC)

175 East 400 South, Suite 600
Salt Lake City, UT 84111
Phone: (801) 328-5055
Fax: (801) 328-5098
www.saltlakechamber.org

The Salt Lake Area Chamber of Commerce is the oldest and strongest business voice for Salt Lake. The Chamber is a leader in the evolution of the community and for 98 years has represented members' interests to the business community, government officials and the media.

The purpose of the Salt Lake Chamber is to build business success. The Chamber's mission is to take a leadership role in the community and state by supporting programs that improve economic vitality and quality of life; initiate actions that enhance business, cultural and social environments; and build coalitions that unify and strengthen the Chamber's voice in the community.

12. Salt Lake City Data Center

Salt Lake City Corporation
Economic and Demographic Resource Center
451 South State Street, Room 512
Salt Lake City, UT 84111
(801) 535-6336
Fax: (801) 535-6663

The Salt Lake City Corporation is the municipal jurisdiction responsible for delivery of local government services to the residents of Salt Lake City. The city has resources to assist businesses that want to locate and expand within city limits. Demographic and statistical data is available from the city's Communication and Information Resource Center, located at the address above.

13. SLCC Larry H. Miller Entrepreneurship Training Center

Salt Lake Community College
9750 South 300 West
Sandy, UT 84070
(801) 255-5878
Fax: (801) 255-6393

The Larry H. Miller Entrepreneurship Training Center (LHMETC) is a full service training facility. Workshops & Conferences, Manufacturing Resource Services, Custom Fit Training, Short Term Intensive Training, Small Business Development Center, and the Center for Entrepreneurship Training are the School of Continuing and Community Education departments that occupy this training and conferencing facility. The Conferencing Center handles conferences of up to 600 people, can be divided into eight breakout session rooms, has food service, and can provide state-of-the-art technology in training presentation delivery. Equipped with computer labs; "smart classrooms," capable of delivering distance education; and classrooms for all types of adult experiential technical as well as management training — this facility, a donation from entrepreneur Larry H. Miller, features courses, conferences, seminars and workshops on all aspects of growing a business.

14. SmartUTAH

Cliff Ames
324 South State Street, Suite 234
Salt Lake City, UT 84111-5219
(801) 333-7836 Ext. 22
Fax: (801) 333-7837
E-mail: cames@smartutah.org
www.smartutah.org

SmartUTAH is a nonprofit organization with the mission of promoting electronic commerce in Utah. As more and more services from business, government and education are

coming on-line, Utah's residents and small businesses have to be prepared to take advantage of those services. To accomplish this task, SmartUTAH created the "Internet and Technology Expo," which features a vendor expo, Internet seminars and an Internet Computer Lab. All businesses interested in participating in one of the expos should contact SmartUTAH.

15. U.S. Forest Service

324 25th Street
Ogden, UT 84401
(801) 625-5370
Fax: (801) 625-5716
E-mail: kschnare/r4@fs.fed.us

State and Private Forestry (SPF) is a branch of the U.S. Forest Service that works with state foresters and private landowners on natural resource activities. One of the activities is the Economic Action Programs/Rural Community Assistance (EAP). Grants are available through EAP to rural communities and private landowners for a variety of purposes.

The Economic Action Program is implemented through the National Forest offices and Resource Conservation and Development council (RC&D). Each state is allotted EAP funds on a yearly basis, and grant solicitation is done once a year. SPF is a part of UBRN to help bridge the rural and urban development gap. This collaboration allows urban and rural resources to work in partnership to provide services that neither urban nor rural can provide alone.

16. U.S. Small Business Administration (SBA)

Federal Building, Room 2231
125 South State
Salt Lake City, UT 84138
(801) 524-3209
E-mail: steven.price@sba.gov
www.sba.gov/regions/states/ut

The U.S. Small Business Administration (SBA) has many programs (Business Information Center, Small Business Development Centers, Service Corps of Retired Executives, and Women's Business Center) that can assist you with every aspect of starting your own

business, from developing a business plan to obtaining financing. From marketing products and services to managing your company, the SBA's programs and services can guide you through each stage of growing your business.

A. Business Information Center (BIC)

Business Information Center
169 East 100 South
Salt Lake City, UT 84111
(801) 741-4251
Fax: (801) 741-4265
E-mail: suzan.yoshimura@sba.gov
www.utahbic.org
Business Hours: M-F, 9:00 a.m.–7:30 p.m.

The Business Information Center (BIC) is a resource library equipped with seven computer workstations, books, videos and reference guides to assist with business plans, promotional materials, office templates, financial statements, and IRS tax forms and publications. BIC is designed to assist start-up and existing businesses considering expansion, seeking financial assistance, selling their business, or needing business counseling. Individuals who have a complete business plan and are ready to seek financing have an opportunity to meet one-on-one with an SBA lender.

Clients may meet with business counselors from the Service Corps of Retired Executives (SCORE). SCORE is a volunteer organization counseling at the Business Information Center. A tax consultant is also available to discuss federal taxes.

B. Service Corps of Retired Executives (SCORE)

SCORE offers three primary services to its clients and the small business community:

1. **Free and confidential counseling and mentoring.** Counseling is often one-on-one between a SCORE volunteer and a small business owner. Mentoring involves a longer-term relationship with the client.
2. **Educational workshops and seminar programs.** SCORE chapters conduct workshops covering the basics in operating a small business. Topics are related to small business formation, business plans, record-keeping, marketing, insurance

needs and financing. A nominal fee is charged for the workshops.

3. **On-line counseling via e-mail.** This service is offered through the national SCORE website at www.score.org. Counselors from across the country use the website to participate in on-line counseling. The same quality and professional standards that apply face-to-face counseling apply to counseling by e-mail.

Utah has five SCORE chapters, with approximately 100 volunteers donating their expertise to help local entrepreneurs address their small business plans and strategies.

Northern Utah SCORE Chapter – #637
Logan Chamber of Commerce
160 North Main
Logan, UT 84321
(435) 752-2161

Ogden SCORE Chapter – #158
Federal Building
324 25th Street, Rm. 6104
Ogden, UT 84401
(801) 625-5712

Salt Lake City SCORE Chapter – #49
Business Information Center (BIC)
169 East 100 South
Salt Lake City, UT 84111
(801) 741-5251

Central Utah SCORE Chapter – #444
Provo, UT 84604
(801) 373-8660

Southern Utah SCORE Chapter – #524
Dixie Business Alliance
225 South 700 East
St. George, UT 84770
(435) 652-7741

C. Small Business Development Centers (SBDC)

www.slcc.edu/schools/cce/atc/cad/sbac.html

The Small Business Development Center (SBDC) is a partnership between Salt Lake Community College, the State of Utah, and the Small Business Administration. There are 12 regional centers located throughout the state. Each center provides free, one-on-one, personalized business counseling to help you manage your business more effectively. Some of the business areas covered are needs assessment, business planning, market research, market strategy, financial planning and management issues.

In addition, SBDC offers low-cost workshops, conferences and seminars to teach practical skills for managing your small business. Training ranges from introductory classes to advanced seminars. The classes and seminars are designed to provide applied skills for improved business management.

NxLevel is an extensive business development course offered by SBDC. The course is designed to help you improve your business management skills and assists you in creating a strong, comprehensive business plan. NxLevel is primarily for the business owner, manager or involved employee who wants to build a more profitable, better-managed business. For more information, contact one of the following centers.

USBDC State Director's Office

Salt Lake Community College
1623 South State Street
Salt Lake City, UT 84115
(801) 957-3493
Fax: (801) 957-3488

Cedar City SBDC

Small Business Development Center
Southern Utah University
351 West Center Street
Cedar City, UT 84720
(435) 586-5400
Fax: (435) 586-5493

Ephraim SBDC

Small Business Development Center
Snow College
345 West 100 North
Ephraim, UT 84627
(435) 283-7000
Fax: (435) 283-6913

Logan SBDC

Small Business Development Center
Utah State University
East Campus
1330 East 700 North, Room 24
Logan, UT 84322- 8330
(435) 797-2277
Fax: (435) 797-3317

Moab SBDC

Moab Higher Education Center
125 West 200 South
Moab, UT 84532
(435) 259-3622
Fax: (435) 259-8423

Ogden SBDC

Small Business Development Center
Weber State University
Ogden, UT 84408-3815
(801) 626-7051
(435) 734-2634 Brigham City (Wed.)
Fax: (801) 626-7423

Orem/Provo SBDC

Small Business Development Center
Utah Valley State College
800 West 1200 South
Orem, UT 84058
(801) 222-8230
Fax: (801) 764-7071

Price SBDC

Small Business Development Center
Southeastern Utah AOG
375 East Carbon Avenue
Price, UT 84501
(435) 637-5444
Fax: (435) 637-7336 or 637-5448

Salt Lake City SBDC

Small Business Development Center
Salt Lake Community College
1623 South State Street
Salt Lake City, UT 84115
(801) 957-3480
Fax: (801) 957-3489

San Juan County SBDC

Small Business Development Center
College of Eastern Utah
639 West 100 South
Blanding, UT 84511
(435) 678-2201 ext. 173
Fax: (435) 678-2220

South Valley SBDC

9750 South 300 West
Sandy, UT 84070
(801) 957-5200
Fax: (801) 957-5300

St. George SBDC

Small Business Development Center
Dixie College
225 South 700 East
St. George, UT 84770
(435) 652-7751
Fax: (435) 652-7870

Uintah Basin SBDC

Small Business Development Center
Utah State University Extension Service
1680 West Highway 40
Vernal, UT 84078
(435) 789-6100
Fax: (435) 789-3916

D. Women's Business Center (WBC)

Salt Lake Area Chamber of Commerce
175 East 400 South, Suite 600
Salt Lake City, UT 84111
(801) 328-5051
Fax: (801) 328-5098
E-mail: nmitchell@saltlakechamber.org
www.saltlakechamber.org

The Women's Business Center is a partnership between the Small Business Administration and the Salt Lake Area Chamber of Commerce. The center serves women business owners throughout Utah with one-on-one counseling and training in marketing, management, finance and government procurement. Through its Women's Network for Entrepreneurial Training (WNET), the center matches inexperienced business owners with successful mentors.

Clients can also access loan-packaging services, including the SBA's Women's Pre-qualification Loan Program. The on-site High Tech Center offers access to computers and business software, monthly Internet classes, and free weekly Internet phone support.

Clients are not required to be chamber members, but they may take advantage of the chamber's many networking opportunities and its import/export assistance program. Many services are free, while some have modest participation fees, which may be waived for women who are socially or economically disadvantaged.

17. U.S. Department of Agriculture

Gary Jann
125 South State Street, 4th Floor
Salt Lake City, UT 84138
(801) 524-4552
E-mail: gary.jann@ut.usda.gov

USDA – Rural Development strives to develop and improve the quality of life in rural America by providing technical and financial support to assist diverse economic development in rural communities, develop rural services for utilities and infrastructure, and provide housing for rural residents. USDA – Rural Development technical and financial assistance is administered through three services: the Rural Utilities Service

(RUS), the Rural Housing Service (RHS), and the Rural Business-Cooperative Service (RBS). The financial resources of USDA-Rural Development are often leveraged with other public and commercial credit sources to multiply the impact of these programs. Priority is given to high impact projects benefiting truly rural and impoverished areas.

For more information contact the USDA-Rural Development Utah State Office at (801) 524-4320

The National Resources Conservation Service (NRCS) is the lead federal agency for private land. NRCS provides conservation technical assistance through local conservation districts to individuals, communities, watershed groups, tribal governments, and federal, state and local agencies. At the local level, their staff works in partnership with state and local conservation staff and volunteers to assist individuals and communities in caring for natural resources by helping them develop and implement conservation solutions to natural resource problems. They also develop technical guidance for conservation planning and assistance. Technical guidance is tailored to local conditions and is widely used by NRCS staff and governmental and non-governmental organizations to ensure conservation is based on sound science.

For more information, contact the Natural Resources Conservation Service in the Utah State office at 801-524-4550

18. Utah Alliance for Economic Development

100 East Center Street, Suite 3200
Provo, UT 84606
(801) 370-8101
Fax: (801) 370-8105
E-mail: ucadm.carolr@state.ut.us
<http://utahalliance.com/>

The Alliance for Economic Development aids in the development and expansion of businesses in the metropolitan areas of Utah. The Alliance is made up of economic development professionals within the state. Most of Utah's cities and counties are represented. The organization helps locate resources throughout the state for relocating and emerging businesses. Each office provides local resources, such as site location assistance and training for business expansion and retention.

19. Utah Custom Fit Training

Utah State Office of Education
Applied Technology Division
250 East 500 South
Salt Lake City, UT 84111
(801) 538-7867
Fax: (801) 538-7868
E-mail: dstephen@usoe.k12.ut.us
Web Page: www.usoe.k12.ut.us

Utah Custom Fit Training develops specialized training for Utah businesses according to their specific needs. It assists in attracting new businesses and expanding and retaining existing companies.

20. Utah Department of Environmental Quality

Renette Anderson
168 North 1950 West
Salt Lake City, UT 84114
(801): 536-4400
Toll Free: 1-800-458-0145
Ombudsman: (801) 536-4479
Fax: (801) 536-0061
E-mail: randerso@deq.state.ut.us

The Department of Environmental Quality (DEQ) is responsible for protecting Utah's air, land and water through a variety of regulatory programs. Programs that impact small businesses regulate dust, underground storage tanks, X-ray machines, hazardous wastes and direct discharges to surface and ground waters. DEQ also regulates equipment that emits air pollution. The Department is committed to providing good customer service through information and technical and compliance assistance.

21. Utah Division of Business and Economic Development

324 South State Street, Suite 500
Salt Lake City, UT 84111
(801) 538-8700
Fax: (801) 538-8889
www.dced.state.ut.us/

This agency can help in five main areas:

A. Business Development

Aids in the expansion and retention of existing businesses in Utah.

(801) 538-8775
Fax: (801) 538-8773
E-Mail: rrichins@dced.state.ut.us
Web Page: www.dced.state.ut.us/busdev/

B. Ethnic Affairs

The mission of the State Offices of Ethnic Affairs is to assist in creating a better quality of life for Utah's ethnic residents by utilizing state and other resources. To this end, the State Offices of Ethnic Affairs provide information on appropriate state and local entities to assist business(es).

Each office (Asian, Black, Hispanic and Polynesian) produces a comprehensive community directory, which provides listings of ethnic business(es) registered with each respective office. These efforts are in full collaboration with the Division of Indian Affairs.

Representative: Mildred T. Sparks, Director of
Black Affairs
324 South State Street, Suite 500
Salt Lake City, UT 84111
(801) 538-8829

C. International Development

Provides counseling to companies regarding international business. Sponsors seminars on basic export procedures and target markets, conducts trade missions, disseminates information on international trade, and publishes the Utah Export Directory.

(801) 538-8737
Fax: (801) 538-8889
E-mail: dmabey@dced.state.ut.us
www.utahtrade.com/

D. National Business Development

Aids in the recruitment and expansion of businesses throughout Utah.

Phone: (801) 538-8800
Fax: (801) 538-8889
E-mail: rrichins@dced.state.ut.us
www.dced.state.ut.us/national/

E. Utah Procurement Technical Assistance Center

Assists firms in preparation and solicitation of federal and commercial contracts. Matches Utah firms with requirements of specific federal and other procurement contracts. Regional offices are located throughout the state. Call state office for local phone numbers.

American Plaza III
47 West 200 South, Suite 600
Salt Lake City, UT 84101
(801) 741-4520
Fax: (801) 741-4530
E-mail: jtaylor@amplaza.state.ut.us
www.dced.state.ut.us/procure/

22. Utah Information Technologies Association (UITA)

6995 Union Park Center, Suite 490
Midvale, UT 84047
(801) 568-3500
Fax: (801) 568-1072
E-mail: rnelson@uita.org
www.uita.org

UITA is an industry association that represents and provides services to Utah's Information Technology (IT) vendors. UITA assists IT vendors with networking, opportunities to learn and market, saving money through group discounts, and other means.

23. Utah Manufacturing Extension Partnership (Utah MEP)

800 West University Parkway
Orem, UT 84058
1-800-MEP-4MFG
Fax: (801) 765-9739
www.mep.org

The Utah Manufacturing Extension Partnership (Utah MEP) transforms Utah's manufacturers into high-performance industry leaders. With offices located throughout the state, Utah MEP project engineers provide technical advice and assistance to ensure local companies utilize superior processes and produce competitive products.

Utah MEP project engineers perform on-site assessments and offer affordable services and resources that enhance productivity and positively impact your bottom line. Their services include: Quality/ISO 9000, Lean Manufacturing, Energy Programs/Pollution Prevention, Project Management, Process Simulation, Hardware/Software Selection, Electronic Commerce and Lean Organization.

24. Utah Small Cities, Inc.

PO Box 600246
Paragonah, UT 84760-0246
(435) 477-3734
Fax: (435) 477-1445
E-mail: nancydal@ext.usu.edu
utahreach.usu.edu

Utah Small Cities, Inc. aids in the recruitment and expansion of businesses in the rural areas of Utah and responds to requests for information.

25. Utah State Tax Commission

Main Office
210 North 1950 West
Salt Lake City, UT 84134
(801) 297-2200, or 1-800-662-4335
www.tax.ex.state.ut.us

Ogden Office
Ogden City Center
2447 Lincoln Ave.
Ogden, UT 84401
(801) 778-6550
Fax: (801) 778-6580

Provo Office
150 East Center Street, Suite 1300
Provo, UT 84606
(801) 374-7071

St. George Office
359 East Riverside Drive
St. George, UT 84790
(435) 652-2925

The Tax Commission provides information and training workshops that help businesses understand and comply with state tax laws and rules. For more information, see Utah State Tax Commission in the State Government Requirements section of Step 5.

26. Utah Supplier Development Council

U of U Purchasing Department
University of Utah
1901 East South Campus Drive, Room 151
Salt Lake City, UT, 84112-9351
(801) 581-8169
Fax: (801) 581-8609
E-mail: breeves@purchasing.utah.edu

The mission of the Utah Suppliers Development Council (USDC) is to increase purchases of goods and services by large companies and government entities from minority and women-owned businesses. USDC assists minority and women-owned businesses in

develop as suppliers to large businesses through various programs, such as developing company policies; sponsoring trade fairs; making training available to increase management skills in small firms; and interfacing between councils, chambers of commerce, NAPM, and community and political leaders. USDC is the only purchasing group in the state dedicated to increasing the dollars spent by large companies and government agencies with small, minority and women-owned firms.

A purchasing council made up of major Utah firms specifically looks for small businesses owned by minorities and women to be suppliers for the Council. The Council also prints a directory of these businesses.

27. Utah Technology Finance Corporation

177 East 100 South
Salt Lake City, UT 84111
(801) 741-4200
Fax: (801) 741-4249
www.utfc.org

The UTFC is an independent corporation of the state that makes debt investments in growing Utah companies. UTFC's mission is to help close the capital gap. UTFC leverages state and federal funds as a catalyst in capital formation for the creation, growth and success of Utah Businesses. UTFC focuses on technology-based and manufacturing firms that create quality jobs. After providing financing, UTFC offers technical assistance in critical areas of business management. UTFC promotes economic development, exports and job creation throughout the State.

28. Wayne Brown Institute

PO Box 2135
Salt Lake City, UT 84110-2135
(801) 595-1141
Fax: (801) 595-1181
E-mail: waynebrown@venturecapital.org
www.venturecapital.org

The Wayne Brown Institute's main purpose is to accelerate economic growth by developing and implementing programs and processes that assist entrepreneurs in developing their ideas into viable, high-growth companies that can attract funding and management. The Institute sponsors several events each year to help entrepreneurs raise capital. Call for details.

Step 3: Identify Ways to Finance Your Business

Sources of Capital

New businesses must be capitalized carefully. Entrepreneurs must identify their start-up capital needs and cash-flow requirements. The total of the two, plus a reserve, will determine the total amount needed to open a new business. Never underestimate the amount of money it takes to get started.

There are two forms of capital – debt and equity:

1. Borrowed capital is **debt** that must be repaid. The terms vary depending on what is agreed upon by the parties. Interest costs are important to consider in the calculated formula for success.
2. **Equity** is the money value of a property or of an interest in a property in excess of claims or liens against it. It also denotes a risk interest or ownership right in that property. Being a sole owner affords an element of control over the conduct of the business.

More detail regarding financing can be obtained by checking into the following capital sources.

Commercial Bank Loans

Getting a loan is a matter of credit worthiness and a bit of salesmanship; the better prepared you are, the more likely you will be successful. Lenders may know little about your specific business, so your job is to educate them. This educational process begins by submitting a loan proposal containing specific information.

Loan Request

- Purpose of the loan
- Loan amount required
- Terms desired
- Source of repayment
- Collateral available
- Loan money usage

History and Nature of the Business

- Brief and concise description of the business

Management

- Skills you bring to the company
- Age, experience, and education of the management team
- Organization chart or management structure
- Other key advisors

General Information

- Product or industry trends
- Marketing area and method of distribution or marketing
- Major customers
- Suppliers
- Competition
- Facilities
- Employees and unions

Financial Information

If this is a new business, the lender will request personal or former business venture information.

- Three-year spreadsheets of balance sheets, income statements, and cash flow
- Three-year financial statements and tax returns
- Ratio analysis with appropriate comments
- Personal financial statement (dated within 90 days of loan request)
- Pro forma income statement for at least one year
- Cash budget for at least one year

Many lenders evaluate loan requests against the “Five Cs of Credit”:

Character – by far the most important. If you are not someone to be trusted, the lender doesn’t want to deal with you, no matter how good the deal.

Capacity – what is your financial strength and track record?

Capital – how much of your own money have you invested?

Collateral – what is available to support the primary source of repayment?

Conditions – what is the economy doing, and how will it affect your company?

Revolving Loan Funds

In an effort to create jobs and improve the business climate of a community, some cities, counties, and Associations of Governments (geographical regions) will lend money to small businesses located in their areas. The amount available to a business ranges from a few thousand dollars to over \$100,000. Typically, the money is used for plant and equipment, working capital, inventory or accounts receivable financing. Rates are usually less than or equal to conventional lender financing, and the term for repayment may be either short (6 months) or extended (many years). This type of financing is often used in conjunction with other lender financing since most revolving loan programs will accept a second or third position on financed assets. For information, contact your local county or Association of Governments office.

Venture Capital Funds

A venture capital fund is used for very narrow or niche equity financing. It is professionally managed money that seeks to make a high rate of return for its investors by taking high risks in investing in early-stage businesses. These businesses must demonstrate the possibility of extremely rapid growth (i.e. \$50 million a year in sales after 5-7 years). Venture capital is equity money (money for stock) that is repaid by capital gains through the sale of stock. Venture capital investors are typically short- to intermediate-term investors (1-7 years) who generally invest over \$1 million in a company.

First Security Investment
79 South Main Street, Suite 1100
Salt Lake City, UT 84111
(801) 246-5688

Wasatch Ventures
1 South Main Street
Salt Lake City, UT 84111
(801) 524-8939

Utah Ventures

423 Wakara Way Suite 206
Salt Lake City, UT 84108
(801) 225-5395

Utah Ventures is a privately-financed venture fund focusing on investments in the life sciences and information technology in Utah, other intermountain states and California.

Utah Ventures seeks to identify the best opportunities, secure subsequent co-investments from other venture funds and corporate investors, and works with the entrepreneur to help build the business.

U.S. Department of Agriculture – Rural Development

Federal Building, Room 4331
125 South State Street
Salt Lake City, UT 84138
(801) 524-4320
Fax (801) 524-4406
E-mail: jharvey@ut.usda.gov

The Business and Industrial Loan Guarantee Program guarantees loans by eligible local lenders to businesses located in rural areas with a population of less than 50,000.

The program's primary purpose is to create and maintain employment and improve the economic and environmental climate in rural communities.

Loan guarantees are limited to a maximum of \$10 million per borrower. Interest rates and terms are negotiated between the lender and the borrower.

Most types of businesses can be financed, with the exception of agricultural production.

U.S. Small Business Administration (SBA)

Room 2231 Federal Building
125 South State Street
Salt Lake City, UT 84138
(801) 524-3209
Fax: (801) 524-4410
E-mail: steven.price@sba.gov
www.sba.gov

Federally Guaranteed Loans

In Utah, the SBA offers a variety of special loan programs to eligible small businesses that cannot borrow on reasonable terms from

conventional lenders. The most appropriate loan program will vary with the amount of financing needed and the uses of loan proceeds.

In most cases, the SBA's business loans are made by private lenders and guaranteed by the SBA. The maximum loan guarantee amount is \$1,000,000. SBA loan programs include 7(a) Guaranty Loan, LowDoc Loans, Express, Fastrak, CapLines, 7(m) Micro Loans, 504 Certified Development Company, and Women's and Minority Pre-qualification Loan Program. The SBA encourages potential borrowers to utilize its business development programs, such as SCORE, the Small Business Development Center, and the Business Information Center, to help them prepare business plans and loan applications.

Certified Development Companies

Certified Development Companies (CDCs) are private companies licensed by the U.S. Small Business Administration to provide long-term financing to expanding businesses. The SBA 504 Program loans provide long-term fixed-asset financing, with a maximum SBA share of \$750,000 or 40 percent of project cost. At least 10 percent must be provided by the borrower, and the remainder of project cost is provided by a private lender. Utah's Certified Development Companies include the following:

Northern Utah Capital

2404 Washington Blvd., Suite 1100
Ogden, UT 84401
(801) 627-1333
Fax: (801) 627-6687
E-mail: Richards@nucdc.com

Deseret Certified Development Co.

2595 East 3300 South
Salt Lake City, UT 84109
(801) 474-3232
Fax: (801) 493-0111
E-mail: deseretcdc@aol.com

Central Utah Branch of Deseret CDC

228 North Orem Blvd.
Orem, UT 84057
(801) 221-7772
Fax: (801) 221-7775

Southern Utah Branch of Deseret CDC

412 East St. George Blvd.
St. George, UT 84770
(435) 652-3761
Fax: (435) 652-1768

Utah Microenterprise Loan Fund

3595 South Main Street
Salt Lake City, UT 84115
(801) 269-8408
Fax: (801) 269-1063
E-Mail: info@umlf.com
www.umlf.com

The Utah Microenterprise Loan Fund (UMLF) is a nonprofit Community Development Financial Institution (CDFI). It provides a modestly secured form of financing (up to \$10,000) with terms of up to five years, to owners of start-up and existing firms who do not have access to traditional funding sources, especially those who are socially or economically disadvantaged. The interest rate is prime plus 5 percent fixed, and the business must be located in Salt Lake, Utah, Davis, Tooele or Summit Counties.

Utah Technology Finance Corporation (UTFC)

177 East 100 South
Salt Lake City, UT 84111
(801) 364-4346
Fax: (801) 741-4200
www.utfc.org

The UTFC is an independent corporation of the state that makes debt investments in Utah companies. UTFC leverages state and federal funds as a catalyst in capital formation for the creations, growth, and success of Utah Businesses. UTFC offers various types of debt financing through such programs as Utah Business Capital Loan Program, Utah Rural Loan Program, MicroLoan Program, Utah Revolving Loan Fund, Bank Participation Loan Program, and Defense Conversion Loan Program.

Ex-Im Bank

Ex-Im City/State Partner
Utah Technology Finance Corporation
177 East 100 South
Salt Lake City, UT 84111
(801) 741-4200
Fax: (801) 741-4249
E-mail: kvance@utfc.org
www.utfc.org

UTFC has been authorized as the city/state partner of Ex-Im Bank in the State of Utah and can provide Utah exporters an easy

access to the export finance assistance programs offered by Ex-Im Bank, SBA, and UTFC. The City/State Program is a partnership between the Export-Import Bank (“Ex-Im Bank”), an independent U.S. Government agency that helps finance the overseas sales of U.S. goods and services, and entities around the country, such as UTFC. The city/state program aims to bring Ex-Im Bank’s financing services to small- and medium-sized U.S. companies that are ready to export. UTFC’s City/State services include loan packaging of Ex-Im Bank and SBA export working capital guarantee loans and assistance in security insurance and other guarantee programs offered by these agencies.

Public Offering of Securities

The raising of capital through the offer and sale of securities is carefully regulated by both state and federal agencies to protect the public. The legal definition of a security includes, but is not limited to: common and preferred stocks, notes, bonds, debentures, investment contracts, voting-trust certificates, certificates of deposit, warrants, options, subscription rights, and undivided oil and gas interests. Some interests in limited liability companies and royalty interests have also been determined to be securities.

The Utah Uniform Securities Act makes it unlawful for any person to offer or sell any security in the state of Utah unless the security is registered or is exempted from registration. The purpose of registration is to provide adequate information to the investing public by requiring the registrant to give complete business and financial disclosures as a part of their registration statement. For information concerning state securities registration and exemptions from registration, contact the Department of Commerce.

Division of Securities
Utah Department of Commerce
160 East 300 South, Box 146760
Salt Lake City, UT 84114-6760
(801) 530-6600 or 1-800-721-7233
www.commerce.state.ut.us

Federal registration of the security may also be required. For information concerning federal regulations call or write the U.S. Securities and Exchange Commission.

U.S. Securities and Exchange Commission
Salt Lake District Office
Key Bank Tower
50 South Main, Suite 500
Salt Lake City, UT 84144
(801) 524-5796

Individuals offering or selling securities in Utah must be licensed in the state of Utah. These licensing requirements are found in the Utah Uniform Securities Act, section 61-1-3, and in Division Rule R164-4-1.

Raising capital through the public markets can be successful. Due to legal complexities, you should consult an attorney with securities expertise before making any decisions. Investment banking or brokerage firms can provide good information, and can consult with you concerning the methods of raising capital from the public.

Others

There are other options you can use to raise capital:

- Funds internally generated from company sales
- Private investments or loans by interested parties (the leading source of non-personal monies)
- Sale or exchange of company assets
- Trade credit extended by suppliers (risky)
- Personal assets
 - › Savings
 - › Home equity (mortgage)
 - › Life insurance cash value
 - › Personal stocks

Step 4: Select Your Business Structure

Business Structure Options

Business activity may be conducted through a variety of organizational structures. An attorney, accountant, financial advisor, tax advisor or banker can suggest which form would be most suitable.

One of the primary considerations in selecting a business organization is protection of a business owner from liability. Other considerations are the transferability of ownership rights, the ability to continue as a business in the event of the death or withdrawal of one or more of the owners, the capital needs of the business, and tax liabilities.

Note: Legal requirements are determined by the selected business structure. The laws are very specific on the regulations required as you set up your business structure. The Division of Corporations and Commercial Code has literature that can help determine the best structure for you. Ultimately, however, legal counsel or the assistance of a professional accountant may be needed.

The most common business structures are as follows.

Sole Proprietorship

The single owner of the business is a sole proprietor. The single owner has sole control and responsibility. The sole proprietorship is easily formed, allows important decisions to be made quickly, and may enjoy fewer legal restrictions.

The sole proprietor's responsibilities include:

- Procuring all capital
- Personal liability for all claims against the business
- Showing business profits as part of the owner's individual taxable income

- Obtaining local business licenses
- Registering the name of the business with the Utah Division of Corporations and Commercial Code in the Department of Commerce

General Partnership

A partnership is an association of two or more people acting as co-owners of a business for profit. A partnership can be created by an oral or written contract between the individuals. It is wise to have an attorney draw up a partnership agreement specifying rights and obligations of the partners. Almost any management and profit-sharing agreement can be arranged.

A general partnership:

- Requires no official registration beyond that required for a sole proprietorship
- Extends liability to the personal assets of the business partners
- Is required to file information returns with the Internal Revenue Service and Utah State Tax Commission
- Shares its profits and losses among the partners. Each partner is then taxed at personal income tax rates

Limited Partnership

Limited partnerships are more closely regulated than general partnerships, permitting investors to become silent or limited partners without assuming unlimited liability. There must be at least one general partner who manages the business, and one or more limited partners whose liability is limited to the extent of their investment.

In a limited partnership:

- General partners share full liability
- Limited partners may take no part in running the business

- The limited partnership is created by filing documents with the Utah Division of Corporations and Commercial Code

Business Corporation

A corporation is a more complex form of business organization. A corporation is a legal entity and exists apart from its owners or shareholders. As a separate entity, it has its own rights, privileges and liabilities apart from the individuals.

A corporation:

- Must file its Articles of Incorporation with the Utah Division of Corporations and Commercial Code
- May be formed for profit or for nonprofit purposes
 - › It has limited liability.
 - › The liability of shareholders (or owners) to creditors is ordinarily limited to the amount of each shareholder's capital stock investment.
- Is unaffected in its continuity by death or transfer of shares by any of the owners
- Requires more extensive record keeping
- Pays taxes on its profits; taxes on dividends are paid by its shareholders
- Remains a corporation in the view of the state and complies with state corporation regulations
- Must have only one class of stock
- Uses a calendar tax year or shows a business purpose for adopting a fiscal year
- Must have the consent of all shareholders to have S Corporation status
- Must be made up of shareholders that are individuals, estates, or trusts, but not corporations
- Can only have shareholders that are United States citizens or residents
- Cannot be a member of an affiliated group of corporations
 - › Most financial institutions, insurance companies and domestic international sales corporations are also ineligible.
 - › See IRS regulations for more information.
- Taxes nonresident shareholders using the maximum Utah individual income tax rate
- Prohibits certain types of income and business activities

S Corporation

The S Corporation combines parts of the corporate and partnership forms of business organization. The Internal Revenue Code permits a privately held corporation, one with up to 35 shareholders, to avoid corporate taxation by having each shareholder report the share of corporate income on his or her individual income tax return.

The S Corporation generally does not pay tax itself. However, there are two situations which may result in tax to the corporation:

1. Excess net passive income
2. Tax on certain capital gains

In addition, the S Corporation:

Professional Corporation

In Utah, people licensed in certain professions may form a professional corporation which provides them with the benefits of the corporate form for the business aspects of their practices, while preserving the personal relationship between the professionals and those they serve.

A professional corporation may only be organized for the purpose of furnishing one specific professional service and the ancillary services associated with that profession.

Unlike traditional business corporations, no individual may be an officer, director or shareholder of a professional corporation unless that individual is licensed to perform the same profession as that for which the professional corporation was formed. How-

ever, an unlicensed person or nonprofessional may serve as either the secretary or treasurer of the professional corporation.

Another distinctive feature of the professional corporation is that shares of the corporate stock may only be issued to persons who are licensed to render the specific professional service. Likewise, a shareholder may voluntarily transfer his or her shares in a professional corporation only to those persons who are duly licensed to render the same professional service as that for which the corporation was organized.

Articles of Incorporation for a professional corporation must be filed with the Utah Division of Corporations.

Non-Profit Corporation

A nonprofit corporation is created to help people achieve a common purpose. It is an organizing structure useful to small and large-scale activities, involving only a few people or many hundreds of people. It provides a useful and inexpensive structure for the enterprise of groups of all sizes, from community campaigns or events to perpetual and diverse activities by hundreds and thousands of people.

A nonprofit corporation may be formed in Utah for any lawful purpose, but not for financial profit. It does not require large sums of money and it can be prepared initially by following a few simple rules:

- It may not have shareholders or pay dividends
- It may compensate members, officers, and trustees (in reasonable amounts) for services rendered

Special Note: Nonprofit incorporation status does not guarantee that your organization will be granted tax-exempt status, nor does it ensure that your contributors can deduct their gifts from reported personal income. Nonprofit incorporation is generally a prerequisite to applying to the Internal Revenue Service for preferential tax status, under IRS Code section 501(c)(3). To apply for exempt status contact the IRS for the necessary application forms.

Limited Liability Company

The Limited Liability Company (LLC) combines many favorable characteristics of corporations and limited and general partnerships. The LLC provides limited liability to its members and offers them the same favorable IRS tax treatment enjoyed by partners in general and limited partnerships.

A Limited Liability Company:

- Must file Articles of Organization with the Utah Division of Corporations and Commercial Code
- Allows members to manage the company themselves or to elect managers
- Allows members to engage in management without risk of losing their limited liability status
- Follows simple registration and annual reporting requirements similar to those of corporations and limited partnerships
- May be taxed by the IRS as either a corporation or as a partnership, depending on its structure

Table 2

General Comparison of Utah's Most Commonly Used Types of Business Organizations

	Proprietorships	General Partnerships	Limited Partnerships	Corporations	Limited Liability Companies
Method of Creation	Owner commences business activity	Created by agreement of the parties	Created by registration with the state under statutory authority	Charter issued by the state under statutory authority	Charter issued by the state under statutory authority
Entity Status	Not separate from owner	In some cases, can be separate from owners	Separate from limited partners, not usually separate from the general partners	Legal entity; separate and distinct from owners	Legal entity, separate and distinct from the members/owners
Liability of Owners	Owner is 100% liable for all debts	Unlimited liability for all partners	Limited liability for limited partners only	Shareholders liable only to extent of paid-in capital	Members enjoy complete limited liability similar to that of limited partners
Duration	Same as owner	Terminated by agreement of partners, or by a partner's death or withdrawal or bankruptcy	May be perpetual	May be perpetual	Must specify term of years; must be 99 years or less
Transferability of Interest	May be sold at any time; new proprietorship is formed	Generally, sale of partnership interest terminates the partnership; may create new partnership	Limited partner may sell interests; general partners may not sell interest without consent of the others, depending on the by-laws or charter	Shareholders may sell or transfer shares of stock	Operating agreement defines restrictions, if any, to transferability of a member's interests
Control	By owner	General partners each have a direct and equal voice in management, unless expressly agreed to otherwise	Limited partners have no management rights of control	Shareholders elect the Board of Directors, which sets policy and appoints officers	The company is owned by its members and is managed by its members or by elected managers; an Operating Agreement governs policy
Capital	Limited to what the owner raised himself	What the general partners can raise themselves	What the limited partners and general partners can raise collectively	Based on issuance and sales of shares of stock	Raised by the members themselves
Taxation	Profits are taxed to owner as an individual	Profits are usually taxed to each owner as agreed in the contract, or all share equally whether or not distributed	Profits are usually taxed to each general partner and each limited partner, as agreed in contract	Double taxation; corporate profits are taxed to the corporation; shareholder profits in form of dividends are taxed as they are received	Profits may be taxed to each member, similar to a partnership, or the company may be taxed as a corporation

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Utah Division of Corporations and Commercial Code
 160 East 300 South, Box 146705
 Salt Lake City, UT 84114-6705
 (801) 530-4849

Step 5: Local, State and Federal Requirements

General Information

This step provides registration, licensing, and special permit information for doing business in Utah from several different agencies. Due to the variety of business structures and natures, this booklet contains information on various local, state, and federal guidelines. No one business will need to follow all the requirements.

Please review the material carefully so you can assess and identify which **local, state, and federal** requirements are necessary for your business.

Most businesses must perform the following actions in the beginning:

- File articles or certificates of incorporation or organization with the Utah Department of Commerce
- Complete the Utah State Business and Tax Registration application, TC-69, available at one-stop service centers throughout the state. The application allows you to:
 - › Register a business name with the Department of Commerce
 - › Apply for certain state tax licenses with the Utah State Tax Commission (see State Tax Registration in this step)
- Apply to the IRS for a federal Employer Identification Number (EIN)
- Apply for Workers' Compensation Insurance
- Check zoning requirements in your local city or county offices
- Obtain a city or county business license from the city or county in which you will do business
- Check with the Department of Commerce to see if your business requires a special state license (e.g. contractors, accounting, food handling, etc.)

Besides addressing these actions, the following pages also provide valuable information on government services, state and federal taxes, business workshops, computer resources and Internet services.

Business Workshops

The Utah State Tax Commission, Internal Revenue Service, Utah Labor Commission, and the Utah Department of Workforce Services jointly sponsor a one-day Employment Tax Workshop to provide information and answer questions about employment and other tax requirements for businesses.

The seminars are free and are scheduled monthly in Salt Lake City. During the summer months, the workshops are available in Ogden, Provo, Cedar City and St. George. Other specialized education programs are available for partnerships and corporations through the IRS Small Business Tax Education Program (STEP).

To register for any of these workshops, complete and mail the registration form located in the middle of this book, or contact the IRS at the following address:

Taxpayer Education Coordinator
Internal Revenue Service
50 South 200 East, M/S 6610 SLC
Salt Lake City UT 84111
(801) 799-6874 or 1-800-829-1040
E-mail: utahtaxed@irs.gov

The Utah State Tax Commission provides training on Sales and Use Tax. Free workshops are held in Salt Lake City on the second Thursdays in January, March, June, September and November. The workshop is also available once a year in Cedar City and St. George.

To register for one of these workshops, complete and mail the registration form in the center of this book, or contact:

Taxpayer Education Coordinator
Utah State Tax Commission
210 North 1950 West
Salt Lake City, UT 84134
(801) 297-6203
E-mail: jlbair@tax.state.ut.us

One-Stop Service Centers

One-stop service centers offer the public a coordinated location to complete several different business issues. The centers offer a variety of services and provide information, brochures and forms at locations throughout Utah.

The Department of Commerce and the Utah State Tax Commission

Business owners may register their business names and apply for tax accounts by using one application form. Businesses may file articles of incorporation and organization. The centers also provide IRS "SS-4" application forms for federal employer identification numbers (EIN). The Tax Commission One-Stop Service Centers may accept application forms and may issue federal EINs for most business entities.

Utah State Tax Commission

210 North 1950 West
Salt Lake City, UT 84134
(801) 297-2200
1-800-662-4335

150 East Center Street, Suite 1300
Provo, UT 84606
(801) 374-7071

2447 Lincoln Ave.
Ogden, UT 84401
(801) 778-6550

359 East Riverside Drive
St. George, UT 84790
(435) 652-2925

Utah Department of Commerce

Heber M. Wells Bldg., 1st Floor
160 East 300 South, Box 146705
Salt Lake City, UT 84114-6705
(801) 530-4849
Toll Free: (877) 526-3994 (Utah residents)
www.commerce.state.ut.us

The Utah State Tax Commission and the Internal Revenue Service

Business owners may consult IRS representatives on location at the Tax Commission main office.

Utah State Tax Commission

210 North 1950 West
Salt Lake City, UT 84134

Tax Research Library

Utah State Tax Commission
Office of the Commission
210 North 1950 West
Salt Lake City, UT 84134
(801) 297-3900

The Tax Research Library contains:

- Utah Tax Code
- Annual Report
- Administrative Rules
- Commission Decisions
- Advisory Opinions
- Package X (state tax forms)
- Tax Bulletins
- Policies and Procedures

The research library is available on the Internet through the State Tax Commission's home page (www.tax.ex.state.ut.us).

Local Government Requirements

Local Business Licenses

All businesses must obtain a business license from the local city or county in which the business is being conducted. Because most local governments have requirements that must be met prior to establishing a business within their jurisdictions, new business owners are advised to obtain a federal Employer Identification Number (EIN) and a state Sales and Use Tax License, if applicable, before applying for a business license.

The application for a city or county business license will usually require approvals from one or more of the following departments:

- Planning and Zoning
- Building and Housing
- Health
- Police or Sheriff
- Fire

Zoning is regulated at the local level. Before purchasing or renting any type of building for commercial use, check with the local municipality to ensure your type of business is permitted to operate at the chosen site.

You should personally visit your city or county business licensing office. If you have more than one business location, check with each appropriate city or county office. They will help you with the application forms and may even save you money where fees are prorated for the year.

A directory of city and county license information is available at the Utah Department of Commerce, Division of Corporations and Commercial Code (530-4849).

Local Tax Registration

Local governments are authorized to levy local sales and use taxes which the Utah State Tax Commission administers, operates and enforces. In most instances, all local sales, use and related taxes are collected and remitted to the Utah State Tax Commission with the applicable state tax. To apply for a sales and use tax license, complete the Utah State Business and Tax Registration application (Form TC-69) available at one-stop service centers throughout the state.

There may be instances where businesses will be required to pay taxes directly to their local government. Grand County has elected to collect the three percent transient room tax required in their jurisdiction. Contact your local city or county government to determine what taxes, if any, are due in your jurisdiction.

Home-Based Businesses

Regulation of home-based businesses rests with the local government in which the residence is located. Permits must be obtained and conditional user fees paid to that particular city or county. Criteria may vary for each locality. Some general guidelines for a home business follow.

- The occupation is carried on entirely by persons residing in the dwelling unit.
- No signs, advertisements or displays should be visible from the street.
- The occupation is secondary to the primary use of the structure for dwelling

purposes and does not change the character of the home.

- The occupation should not be a nuisance or cause undue disturbance.
- Occupations requiring special rooms, licenses or permits may not be granted a permit.
- Neighbors may need to sign affidavits acknowledging notice of the proposed business.
- The occupation must conform to local fire, safety and health codes.
- The occupation should cause no objectionable traffic or parking problems.

Contact the city or town in which the residence is located. For unincorporated areas, contact appropriate county offices or Chambers of Commerce.

State Government Requirements



Division of Corporations and Commercial Code

Utah Department of Commerce
160 East 300 South, Box 146705
Salt Lake City, UT 84114-6705
(801) 530-4849
Toll Free: 1-877-526-3994
www.commerce.state.ut.us

Business Name Registration

All individuals and partnerships conducting business under an assumed name (DBA: "Doing Business As") must register within 30 days of starting business. This protects the owner against the use of the name by any other business, and provides consumers access to information about the owner or operator of the business. Renewal of the registration is required every three years.

- Original Application \$20.00
- Renewal Application \$20.00

Utah Business Corporations

A for-profit corporation is formed in Utah by filing Articles of Incorporation with the Utah Division of Corporations and Commercial Code. No application forms are required; however, the Articles of Incorporation must include:

- The corporate name (must contain the words, or abbreviations, *Corporation*, *Company*, or *Incorporated*)
- The purpose(s) for which the corporation is formed
- The number of shares the corporation is authorized to issue
 - › If more than one class of shares is authorized, each class must be designated along with a description of the preferences, limitations and relative rights of each class.
 - › For additional information, see Utah Code Ann. 16-10a-601.
- The name and address of each of the incorporators (one or more persons may act as the incorporators)
- The Utah street address of the corporation's initial registered office and the name of its initial registered agent at such address
- The signature of each of the incorporators
- A statement in the Articles of Incorporation or an attachment signed by the registered agent acknowledging acceptance as such

Filing Requirements: Articles of Incorporation, in duplicate, with original signatures on one copy

Filing Fee: \$50.00
Amendments: \$25.00

Nonprofit Corporations

To form a nonprofit corporation in Utah, Articles of Incorporation must be filed with the Utah Division of Corporations and Commercial Code.

No application forms are required; however, the Articles of Incorporation must include:

- The corporate name
- The term of the corporation's existence, which may be perpetual
- The purpose(s) for which the corporation is being formed, including a statement that it is organized as nonprofit
- Whether or not the corporation has members
- The names of trustees constituting the initial governing board (at least three), and the street address of each trustee
- The name and address of each of the incorporators
- The signature of each of the incorporators
- The Utah address of the corporation's registered office and the name of its registered agent at such address
- A statement in the Articles of Incorporation or an attachment signed by the registered agent acknowledging acceptance as such

Filing Requirements: Articles of Incorporation, in duplicate with original signatures on one copy

Filing Fee: \$20.00
Amendments: \$15.00

Foreign Corporations

A corporation formed in a jurisdiction outside of Utah, which intends to conduct business in Utah, must submit an Application for Certificate of Authority. This must be accompanied by a Certificate of Good Standing from the corporation's home state. The out-of-state corporation must also appoint a registered agent in Utah.

Foreign nonprofit corporations follow the same procedures as foreign business corporations.

Form: Application for Certificate of Authority
Filing Fee: \$50.00
Amendments: \$35.00

Limited Partnerships

A limited partnership is formed in the state by filing a Certificate of Limited Partnership with the Division of Corporations and Commercial Code. Consultation with an attorney is advised to ensure the fullest legal protection and benefit.

The Certificate of Limited Partnership must include the following information:

- The name of the limited partnership
- The term of the partnership's existence
- The street address of the principal place of business
- The name and street address of the partnership's registered agent
- The name and street address of each general partner
- The signature of each general partner and the registered agent acknowledging acceptance as such
- The purpose for which the partnership is formed (optional)

Filing Requirement: Certificate of Limited Partnership in duplicate with original signatures on one copy

Filing Fee: \$50.00
Amendment Fee: \$25.00

Limited Liability Companies

A limited liability company is formed by filing "Articles of Organization" with the Division of Corporations. Consultation with an attorney is advised to ensure the fullest legal protection and benefit.

Articles of Organization must include the following information:

- The name of the limited liability company
- The term of the company's existence, which cannot be more than 99 years
- The specific purpose for which the company is formed (a company may engage in multiple activities)
- The name and Utah street address of the company's registered agent and office
- The names and street addresses of the persons designated to be the management of the company
- The names of two members; at least two members must be maintained at all times

Filing Requirement: Articles of Organization in duplicate with one executed original

Filing Fee: \$50.00

Amendment Fee: \$35.00

Annual Report Requirements

Every corporation, limited partnership and limited liability company is required to file an annual report during the month of the anniversary date the entity was created; or, for out-of-state corporations, during the anniversary month in which authority was granted to transact business in Utah. The Utah Division of Corporations mails an annual report notice and reporting form to the registered agent of the entity.

Forms and Fees: Call (801) 530-4849
or 877-526-3994



Division of Consumer Protection

Utah Department of Commerce
160 East 300 South, Box 146704
Salt Lake City, UT 84114-6704
(801) 530-6601 or 1-800-721-7233
www.commerce.state.ut.us

The following business activities require special permits. To learn more about any special permit requirement listed, contact the Division of Consumer Protection at the above location.

Business Distributorship

Business opportunity disclosure documents must be filed with the Division of Consumer Protection ten days prior to commencing sales of a franchise or distributorship in Utah. Professional assistance is strongly urged to make use of all the technical advantages available.

Fund Raisers

Under the Utah Charitable Solicitations Act, any person, joint venture, partnership, corporation, association or other entity (excluding the state and its political subdivisions) that is established for any charitable purpose must register annually with the Division of Consumer Protection.

A professional fund raiser, counsel or consultant is defined as anyone who is soliciting a contribution for a charitable purpose on behalf of any organization in exchange for any form of fee or compensation, including a commission or percentage of money raised.

Annual Filing Fee:

Charity	\$100
Professional Fund Raiser	\$250

Bond Required:

Charity	No
Professional Fund Raiser	Yes

Credit Services Organizations

The Credit Services Organizations Act states that any person who, with respect to the extension of credit by others, sells, provides, or represents that he can provide or perform, in return for the payment of money or other valuable consideration, any of the following services:

- Improving a buyer's credit record, history, or rating
- Obtaining an extension of credit for a buyer
- Providing advice, assistance, instruction, or instructional material to the buyer regarding credit, etc.

A surety bond in the amount of \$100,000 issued by a surety company doing business in Utah must be provided to the Division of Consumer Protection.

Annual Filing Fee:	\$50
Bond Required:	Yes

Health and Fitness Centers (Spas)

This pertains to any person, partnership, joint venture, corporation, association or other entity that, for a charge, provides as one of its primary purposes services or facilities that assist patrons in improving their physical condition or appearance through weight change, weight control, dieting, aerobic conditioning, strength training or other exercise. It includes any establishment designated as a "reducing salon," "health spa," "spa," "exercise gym," "health studio," "health club," or by other similar terms.

Each health spa must obtain a bond, letter of credit, and certificate of deposit, and furnish

an original to the Division of Consumer Protection prior to selling, offering or attempting to sell, soliciting the sale of, or becoming a party to any contract to provide health spa services. An application must be filed with the Division of Consumer Protection. The application fee is \$100.

The bond, letter of credit, and certificate of deposit are based on the number of unexpired contracts for health spa services. For example:

Principal Amount of Bond or Letter of Credit	Number of Contracts with an unexpired term exceeding 90 days
\$15,000	500 or fewer
\$35,000	501 to 1,500
\$50,000	1,501 to 3,000
\$75,000	3,001 or more

Annual Filing Fee:	\$100
Bond Required:	Yes

Telephone Solicitations and Sales

The Telephone Fraud Prevention Act requires that a person, partnership, corporation or other entity which engages in telephone solicitation or sales in Utah must **register each year** with the Division of Consumer Protection.

A \$50,000 bond, letter of credit, or certificate of deposit from an authorized Utah business institution is required by the Division of Consumer Protection in order to engage in telephone solicitation or sales in Utah. If a violation has occurred within three years prior to application, a bond in the amount of \$75,000 is required.

Annual Filing Fee:	\$50
Bond Required:	Yes

NOTE: Professional and Occupational Licenses

Specific types of occupations or professionals must have permits or licenses issued by the state. No single department has responsibility for all licensing, and licensing fees vary. Table 3 contains lists of businesses and occupations that require state licenses. For information on qualifications and applications, call the agency listed.

TABLE 3**Professional and Occupational Licenses**

Professional/Occupation	Agency Code	Professional/Occupation	Agency Code	Professional/Occupation	Agency Code
Acupuncturists	5	Factory Built Housing Dealers	5	Optometrists	5
Advanced Practice Nurses	5	Farm Product Dealers	1	Osteopathic Physicians and Surgeons	5
Alarm Response Runners	5	Fertilizers	1	Pet Shops	16
Alcoholic Beverages	2	Fish & Game Licenses	16	Pharmacies	5
Alternate Dispute Resolution Providers	5	Fishing (Commercial)	16	Pharmacists, Interns, and Technicians	5
Architects	5	Florists	1	Physical Therapists	5
Attorneys	24	Food Service Providers	19	Physician Assistants	5
Audiologists	5	Food Warehouses	10	Physician/Surgeons	5
Automated Dialing Companies	3	Funeral Service	5	Plumbers	5
Bakeries	1	Furriers	16	Pre-Need Providers and Sales Agents	5
Banks	9	Game Farmers	16	Private Probation Providers	5
Beer Parlors	2	Garages	22	Private Security Officers	5
Boat Men (River Runners)	13	Grocery Stores	1	Produce Dealers	1
Boiler Inspections	17	Health and Fitness Centers (Spas)	3	Professional Counselors	5
Boxing	5	Health Care Assistants	5	Professional Employer Organizations	5
Building Inspectors	5	Health Facility Administrators	5	Professional Engineers and Professional Structural Engineers	5
Burglar Alarm Companies and Agents	5	Hearing Instrument Specialists	5	Professional Land Surveyors	5
Caterers	19	Hospitals	10	Psychologists	5
Certified Nurse Midwives	5	Hotels & Motels	19	Radiology Technologists and Practical Technicians	5
Certified Public Accountants and Accountancy Firms	5	Hunting (Commercial)	16	Real Estate Agents	6
Certified Shorthand Reporters	5	Insurance Agents/Companies	12	Real Estate Brokers	6
Charities and Professional Fund-raisers	3	Investment Advisers	7	Real Estate Companies	6
Chiropractic Physicians	5	Landscape Architect	5	Recreational Therapists	5
Contract Security Companies	5	Licensed Practical Nurses	5	Registered Nurses	5
Contractors	5	Liquor-Retail/Wholesale	2	Respiratory Care Practitioners	5
Controlled Substance Licenses	5	Livestock Dealers	1	Restaurants	19
Cosmetologists, Barbers, Certified Teachers and Schools	5	Loan Company	9	Savings & Loan Institutions	9
Credit Services Organizations	3	Marriage and Family Therapist	5	Social Workers, Certified and Clinical	5
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Dairy Products	1	Massage Therapist	5	Sprayers & Dusters	1
Day Care Centers	11	Meat Packers	1	Stock Broker Dealers	7
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Dental Hygienists	5	Mortgage Brokers	6	Substance Abuse Counselors	5
Dentists	5	Mining	14	Teachers	20
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Electrologists	5	Naturopathic Physician	5	Trappers	16
Elevator Inspections	17	Notary Public	4	Veterinarians	5
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Environmental Health Scientists	5	Nurseries & Nurserymen	1	Warehousing	1
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		Occupational Therapists	5	Well Drillers	15
		Oil and Gas	14		

Agency Code	Agency to Contact	Phone Number	Agency Code	Agency to Contact	Phone Number
1	Department of Agriculture	538-7100		Department of Natural Resources	538-7200
2	Department of Alcoholic Beverage Control	977-6800	13	Division of Parks and Recreation	538-7220
	Department of Commerce	530-6955	14	Division of Oil, Gas and Mining	538-5340
3	Division of Consumer Protection	530-6601	15	Division of Water Rights	538-7240
4	Division of Corporations & Commercial Code	530-4849	16	Division of Wildlife Resources	538-4700
5	Div. of Occupation & Professional Licensing	530-6628	17	Utah Labor Commission	530-6800
6	Division of Real Estate	530-6747	18	Division of Labor and Anti-Discrimination	530-6801
7	Division of Securities	530-6600	19	Local Health Agencies	Check government phone listings
8	Department of Environmental Quality	536-4400	20	State Office of Education	538-7500
9	Department of Financial Institutions	538-8830		State Tax Commission	297-2200
10	Department of Health	538-6101	21	Motor Carrier Services	297-6800
11	Department of Human Services	538-4242	22	Motor Vehicle Enforcement Division	297-2600
12	Department of Insurance	538-3800	23	Utah Department of Transportation	965-4508
			24	Utah State Bar	531-9077

See "Directory of Agencies and Offices" for fax numbers and Internet addresses.



Utah State Tax Commission

210 North 1950 West
Salt Lake City, UT 84134
(801) 297-2200
1-800-662-4335
www.tax.ex.state.ut.us

State Tax Registration

The Tax Commission has the following applications for business tax registration:

Utah State Business and Tax Registration

This application is used to register your business for a Sales and Use Tax License, a Withholding Tax Account, or a Cigarette/Tobacco License. When applicable, it will also register your business for tourism, transient room, and resort community taxes, and the waste tire recycling fee.

Form: TC-69
Fees: Cigarette License - \$30 per location
Cigarette License Renewal - \$20 (every three years)
Cigarette Wholesaler/Stamper - \$30, plus bond
Sales and Use Tax - No fee
Withholding Account - No fee
Bond: \$500 minimum for either cigarettes or tobacco, or \$1000 for both

Special Events Registration

Contact:

Special Events Taxation Section
(801) 297-6303
1-800-662-4335 ext. 6303

A Temporary Sales Tax License and Special Return is required when an individual vendor and/or business participates in a one-time event, such as state and county fairs, conventions, hobby shows, gun shows, food shows, art shows, and other similar events where taxable sales are made. Vendors with a sales and use tax license must also obtain a Temporary Sales Tax License and Special Return if participating in one of these events. The license/return is only good for the event for which it is issued. The special return and all sales tax collected are due to the Tax Commission 10 days after the close of the special

event or sale. To obtain a Temporary Sales Tax License and Special Return, contact the Special Events Taxation Section.

Fuel License Application

This application is used to register your business for the following licenses and accounts:

Special Fuel Supplier License, for importers, refiners and blenders of diesel fuel

Form: TC-107
Fee: \$30
Bond (required): \$35,000 - \$100,000 (TC-763)

Motor Fuel License, for importers, refiners, manufacturers or wholesalers of gasoline

Form: TC-107
Fee: \$30
Bond (required): \$35,000 - \$100,000 (TC-763)

Aviation Fuel License, for importers, refiners, manufacturers or wholesalers of aviation or jet fuel

Form: TC-107
Fee: \$30
Bond (required): \$2,000 - \$100,000 (TC-763)

Environmental Assurance Fee, for importers, refiners or manufacturers with the first sale or use in Utah of any petroleum product liquid at 60°F

Form: TC-107 or TC-107E

International Fuel Tax Agreement (IFTA)

Businesses requiring IFTA (International Fuel Tax Agreement) Licenses or Special Fuel User Permits will use one of the following forms:

Form: TC-920F, IFTA License Application
Fee: \$4.00 per vehicle registered

Form: TC-920S, Special Fuel User Permit Application

Fee: No fee

Mineral Production Withholding Tax Account

This application is used to register your business for a Mineral Production Withholding Tax Account.

Form: TC-675R
Fee: No fee

Completing Application Forms

The following information is provided to help applicants determine who is authorized to sign the application forms for tax registration.

- **Sole Proprietor:** The owner must sign the application form.
- **Limited Partnership:** Any general partner may sign.
- **General Partnership:** All general partners must sign for DBA registration; any general partner may sign for tax registration.
- **Corporation:** Any officer or registered agent who is authorized by the corporation may sign.
- **LLC:** Any member or manager authorized by the LLC may sign.
- **LLP:** Any general partner authorized by the LLP may sign.
- **Business Trust:** The trustee or fiduciary must sign.

Business Tax References

Businesses operating in Utah may be subject to several types of taxes. The following summaries should be used as guidelines to help you determine which taxes apply to your business.

For a thorough guide to Utah's taxes and Tax Commission Rules, you may purchase a copy of the Utah Tax Code from:

Lexus Law Publishing
PO Box 7587
Charlottesville, VA 22906-7587
1-800-562-1197
Fax: 1-800-643-1280
www.lexislawpublishing.com

The Utah Tax Code and Tax Commission Rules may also be accessed through the Tax Commission's web page:
www.tax.ex.state.ut.us.

Commercial Vehicles

Commercial Vehicle Registration

Contact:

Motor Carrier Services
210 North 1950 West
Salt Lake City, UT 84134
(801) 297-6800
1-888-251-9555

Commercial trucks, trailers or semitrailers based in Utah may qualify to be proportionately registered and licensed. Non-Utah based carriers that are not apportioned for Utah can purchase a temporary trip permit for up to 96 hours at the port of entry.

Rate: The vehicle registration fee is computed according to the registered weight and applicant's Utah mileage percentages.

International Fuel Tax Agreement (IFTA)

Utah is a member of the **International Fuel Tax Agreement (IFTA)**. Motor carriers can determine if they need an IFTA license or a Special Fuel User permit by the following guidelines:

- IFTA licenses apply to qualified motor vehicles traveling in more than one state of jurisdiction.
- Special Fuel User permits apply to:
 - › Qualified motor vehicles traveling within the borders of Utah
 - › Carriers having a bulk special fuel storage tank(s) in Utah

IFTA and Special Fuel User tax reports must be filed each quarter.

See "State Tax Registration" section for information on application forms and fees.

Corporate Franchise and Income Tax

Corporate Tax Prepayments

Corporations with a tax liability of \$3,000 or more in the current tax year, or with a tax liability of \$3,000 or more in the previous tax year, must make estimated tax payments. Payments are due on the 15th of the 4th, 6th, 9th and 12th months of the tax year. Penalties apply on certain underpayments, late payments and late filings.

Form: TC-559 Corporate Franchise or
Income Tax Payment Booklet

Individual Income Tax (Estimated)

Utah does not require filing of estimated individual income tax, but does provide forms for taxpayers who would prefer to file and pay quarterly estimated tax. It may be paid on the same time schedule as the federal tax. The payment must be accompanied by a prepayment form.

Form: TC-546 Prepayment of Income Tax

Insurance Premium Tax

Admitted insurance companies are required to file a premium tax return regardless of the exempt nature or amount of their premiums. The insurance premium tax applies to all insured risks in the state including Workers' Compensation.

Insurance premium and self-insured tax returns are due on or before March 31 for the preceding calendar year. Prepayments are required if the prior year's tax liability was \$10,000 or more. Prepayments are due the last day of April, July, and October. The final payment is due when the tax return is filed March 31.

Rate: The base premium tax is 2.25 percent. It is figured on the net taxable premiums received for life, property, and casualty insurance policies written in the state.

The Workers' Compensation premium tax rate is determined annually by the State Industrial Commission.

Title insurance premiums are taxed at a rate of .45 percent.

An additional surtax of .01 percent is assessed on motor vehicle liability, personal injury and uninsured motorist premiums.

Forms: TC-670 – Utah Insurance Premium Tax Payment

TC-420B – Self Insurance Premium Tax Payment

Returns: TC-49 – Insurance Premium Tax Return
TC-420 – Self Insurer's Tax Return

Fuel Taxes

Fuel taxes must be reported and remitted each month.

Aviation Fuel, Motor Fuel, Special Fuel

Aviation Fuel is used exclusively for the operation of aircraft. Aircraft federally certified for scheduled operations or all-cargo operations are taxed at 4 cents per gallon. All others are taxed at 8 cents per gallon effective July 1, 2000, and at 9 cents per gallon effective July 1, 2001.

Motor Fuel is gasoline or gasohol used for any purpose other than that for which aviation fuel is used. Motor fuel is taxed at 24.5 cents per gallon.

Special Fuel is any non-gasoline fuel used to operate a motor vehicle upon the public highways and is not taxed under the category of motor or aviation fuel. Diesel fuel is taxed at 24.5 cents per gallon. Special fuel tax on clean special fuels such as electricity, propane and compressed natural gas is paid by annually purchasing a Clean Special Fuel Certificate, form TC-596, for each vehicle that operates on clean special fuels.

Entities that meet any of the following criteria are required to be licensed and bonded:

- Importers, refiners and blenders of motor fuel
- Importers, refiners, blenders or anyone selling aviation fuel to federally certified manufacturers or wholesalers of aviation or jet fuel
- Importers, refiners and blenders of diesel fuel

Retail service stations buying and selling tax-paid fuel are not required to obtain a fuel tax license.

Oil and Gas Tax

Conservation Tax

The conservation tax applies to owners holding interest in oil, gas and natural gas wells.

Rate: Two-tenths of one percent of the value at the well of oil, gas and natural gas liquids produced, saved and sold or transported from premises where produced.

Severance Tax

Severance tax applies to extractors of metalliferous minerals such as gold, silver, copper, lead, iron, zinc, tungsten, uranium, vanadium, other valuable metals, oil, gas, and other hydrocarbonic substances.

Rate: 2.6 percent of the taxable value for products of metalliferous mines and metalliferous claims; 3-5 percent of oil and gas wells. Value is fixed at the well. Contact the State Tax Commission for exemptions.

Property Tax

Contact:

County assessor for the county in which you are doing business or the Utah State Tax Commission, if centrally assessed.

Businesses must pay property taxes. Taxes are levied on real and personal property. Real property includes land, buildings and other improvements. Personal property includes furniture, fixtures, machinery, equipment, supplies, etc. A uniform in-lieu fee must be paid for passenger cars and lightweight vehicles. Personal property does not include inventory held for resale.

Most business property is assessed by the county assessor. Personal property must be reported to the county assessor. Obtain the necessary forms and filing instructions from the county assessor.

Personal property taxes are due 30 days from the date the tax bill is mailed. Real property taxes are billed by November 1st and must be paid by November 30th. Contact your county assessor for further information.

Sales and Use Tax

Sales tax is a tax on the rental or retail sale of tangible personal property, admission and user fees, and certain services performed within Utah. It is collected from the consumer by the retailer and paid to the Tax Commission on monthly, quarterly or annual returns. Sales tax returns are due on the last day of the month following each reporting period. If a due date falls on a Saturday, Sunday or legal holiday, the due date becomes the next business day.

Use tax is a tax on goods or taxable services shipped or delivered from out-of-state locations for use, storage, or other consumption in Utah.

Use tax only applies if sales tax is not applicable. If items are purchased from an out-of-state retailer for use in Utah and the retailer does not collect the tax, the consumer must pay the tax directly to the Tax Commission on the sales and use tax return.

Sales tax is due at the point of sale. Use tax is applicable to point of initial delivery unless a signed exemption certificate is taken from the purchaser.

Unreported taxable purchases of tangible personal property for storage, use or other consumption in Utah are subject to tax. Sales tax should be paid to the Utah vendor at the time of purchase. If the vendor does not collect sales tax because an exemption certificate was issued by the purchaser, sales tax must be self-accrued and remitted directly to the Tax Commission on the next periodic Sales And Use Tax Return. Additionally, use tax must be self-accrued on purchases shipped to the purchaser from out-of-state locations if the vendor does not collect the tax or is not licensed to do so.

Once a business has registered with the Tax Commission for the collection of sales and use tax, a return must be filed **whether or not sales or use tax is due**. Penalties and interest apply to late returns, underpayments and late payments. Filing frequency is based upon the amount of annual sales and use tax liability.

If annual sales and use tax is:	Your filing status is:
\$ 0.00 - \$ 999.99	Annual
\$ 1,000.00 - \$ 49,999.99	Quarterly
\$ 50,000.00 - \$ 95,999.99	Monthly
\$ 96,000.00 or more	Monthly and EFT

Businesses whose annual liability is \$96,000 or more are required to pay the tax via electronic funds transfer (EFT). Vendor discounts are available to those who file and pay monthly sales tax returns by the due date.

Forms: TC-69 – Utah State Business and Tax Registration

TC-71 – Sales and Use Tax Return;
single place of business.

TC-71M – Sales and Use Tax Return;
multiple locations with schedule
attachments.

TC-71S – Sales and Use Tax Return;
monthly filer; single location.

TC-71V – Sales and Use Tax Return;
monthly filer; EFT.

Schedule A – Sales and use tax
collected from multiple locations.

Schedule B/D –

B: Taxable sales from other than a
fixed place of business.

D: Taxable sales by utilities.

Schedule C – Tax collected for goods
or services shipped into Utah by
vendors with no nexus in Utah.

The sales and use tax rates vary depending on the location of a business. Cities or counties may impose additional related taxes, such as, tourism, resort, and transient room taxes. Generally, the local tax rate is combined with the state tax rate for collection and reporting to the Utah State Tax Commission. Grand County and certain municipalities collect their own transient room tax. Check with your city or county to determine if additional local taxes must be paid.

Tax rate charts for every combined (state and local) tax rate in Utah may be ordered from the Tax Commission, or may be obtained via the Internet at www.tax.ex.state.ut.us.

Beer Tax

The beer tax applies to beer imported or manufactured for sale, use or distribution in Utah. Monthly reports are required on or before the last day of the following month.

Rate: \$11.00 per 31- gallon barrel of beer.

Form: TC-386 Beer Tax Return plus applicable
schedules

Distributor licensing is under the jurisdiction of the Utah Department of Alcoholic Beverage Control. Retail licenses are issued by local jurisdictions.

License: Department of Alcoholic Beverage
Control
1625 South 900 West
Salt Lake City, UT 84104
(801) 977-6800

Botanical, Cultural and Zoological Organizations Tax

Where adopted, a $\frac{1}{10}$ percent tax is imposed on the sale of taxable goods and services sold within the adopting county. If applicable, the tax will be included in the overall sales tax rate.

Cigarette and Tobacco Products Tax

Cigarette retailers purchasing from licensed wholesalers or distributors require a license issued by the Tax Commission. A license is required for each business location. The license is valid for three years.

Cigarette wholesalers and distributors stamping cigarette products must be bonded in addition to the regular license.

Tobacco products wholesalers, distributors, and retailers purchasing products from non-licensed wholesalers and distributors must be bonded and licensed.

Application: TC-69 Utah State Business
and Tax Registration

License Fee: \$30.00 per location
\$20.00 for three-year renewal

Cigarettes: 51.5 cents per pack of 20
64.38 cents per pack of 25

Tobacco: 35 percent of manufacturer's
sales price and freight.

Forms: TC-553 Tobacco Products
Tax Return

TC-79 Cigarette Stamp Order Form

Liquor Tax

This tax is applicable to every retail sale of wine and distilled liquors sold by the Department of Alcoholic Beverage Control. Liquors are purchased from a state liquor store or agency and the tax is part of the total purchase price.

Rate: 13 percent of retail purchase price.

Motor Vehicle Rentals and Leases

Information is included with Tourism Tax.

Municipal Energy Tax

A tax of up to 6 percent may be imposed by a municipality on the delivered value of taxable energy. This tax is imposed in addition to state and local taxes. A separate reporting form is used for this tax.

Form: TC-71E Municipal Energy Sales and Use
Tax Return

Municipal Highway Tax

Where adopted, the municipal highway tax of $\frac{1}{4}$ percent is applied on all sales subject to sales and use tax. This tax is not levied by communities where public transit tax applies. The municipal highway tax, if imposed, is included in your overall sales tax rate.

Public Transit Tax

A public transit tax of $\frac{1}{4}$ percent may be adopted by counties, cities or communities that have a public transit system. The public transit tax, if imposed, is included in your overall sales tax rate.

Resort Communities Tax

A tax of up to 1.5 percent is imposed at the option of qualifying resort communities on the sale or rental of taxable goods and services within the resort community. A community qualifies if transient room capacity is equal to or greater than 66 percent of the permanent population. The resort communities tax, if imposed, applies to sales subject to sales tax, but is reported on a separate form.

Exception: Sales of single items costing \$2,500 or more and wholesale sales are exempt from resort communities tax.

Form: TC-71R Resort Communities Tax

Rural Health Care Facilities Taxes

Qualifying rural counties or cities may adopt a rural health care facilities tax of up to 1 percent. The tax is imposed on the sale of taxable goods and services sold within the adopting jurisdiction, and on the purchase of items subject to the use tax. The rural county and city health care facilities taxes, if imposed, are included in your overall sales and use tax rate.

Tourism Tax

There is a state-wide motor vehicle rental tax of 2.5 percent. In addition, where adopted, this tax is imposed on the following types of transactions:

- A **restaurant tax** of up to 1 percent may be imposed on all prepared foods and beverages sold by restaurants.
- **Motor vehicle rental taxes** of up to 7 percent are charged on all short-term motor vehicle rentals or leases.

The tourism taxes, if imposed, are reported on a separate form.

Form: TC-71F or TC-71FV Tourism, Recreation, Cultural, Convention Facilities & Car Rental Quarterly or Monthly Tax Return

Transient Room Taxes

Utah counties may impose transient room taxes of up to 3.5 percent on the rent of rooms in hotels, motels, inns, trailer courts, campgrounds, tourist homes, and similar accommodation for stays of less than 30 consecutive days.

In addition to the transient room tax, qualifying municipalities may impose an additional tax of up to 1.5 percent on every rental of public accommodations.

The transient room taxes, if imposed, are reported on a separate form.

Grand County and some cities have elected to collect the 3 percent transient room tax required in their jurisdictions. Contact your local city or county government to determine what taxes, if any, are due in your jurisdiction.

Form: TC-71T Transient Room Tax Return

Waste Tire Recycling Fee

The waste tire recycling fee is used as an incentive to encourage businesses to manufacture products from waste tires. The fee applies to sales of new tires up to and including 24.5 inches. The fee applies to new tires meeting the size requirement and sold for use on owned, rented or leased vehicles, and off-highway motorized vehicles. The tire recycling fee does not apply to recapped or used and resold tires, bicycle tires, or tires held for resale.

Rate: 85 cents per tire

Form: TC-71W

Withholding Tax

State withholding taxes are reported and paid on a monthly basis if the employer is withholding \$1,000 or more in any given month. The return is due on or before the last day of the month following the end of each monthly period. For example, the January filing is due the last day of February.

Employers withholding less than \$1,000 per month are required to file on a quarterly basis and returns are due on or before the last day of the month after the end of a calendar quarter. For example, the January-March quarter is due the last day of April.

At the end of each calendar year, an annual reconciliation return with a copy of each W-2 form must be filed. The reconciliation return is due on or before the last day in February. Filing due dates which fall on a weekend or holiday are due the next business day.

Report address changes and business closures by filing a notice of change form.

Forms: TC-96M – Monthly Withholding Return
TC-96Q – Quarterly Withholding Return
TC-96R – Annual Reconciliation Return
TC-96C – Utah Employer's Notice of Change

Publication: Pub 14 – Withholding Tax Guide

Utah Income Tax Withholding Schedules have been designed to parallel the federal withholding schedules found in Circular E, Employer's Tax guide, published by the Internal Revenue Service. These withholding tables must be used for all wages and salaries earned in Utah. Withholding tables may be ordered from the Tax Commission or may be obtained via the Internet at www.tax.ex.state.ut.us.

Filing Returns

Businesses obtaining accounts with the Tax Commission must file their tax returns by the due date even if no tax is due. Penalties and interest apply to late returns and insufficient payments. If you change ownership, location, or add outlets or additional stores, you must notify the Tax Commission in writing. Every license and account holder, who discontinues business, is required to notify the Tax Commission immediately. Tax licenses or accounts are not transferable to new owners.

Tax Record Keeping

Every vendor is required to keep adequate and complete records as are necessary to determine the amount of tax for which they are liable.

Records should be preserved for a period of

three years from the date the taxes are due or paid. Records shall be open for examination at any time and without notice by the Tax Commission or its authorized agents. Failure to keep adequate records necessary to establish tax liability may result in the taxpayer's license being revoked.

Sales and Use Tax Records

Sales tax records must include:

- All sales and purchases of tangible personal property and services that are subject to the sales and use tax made within the state of Utah
- All receipts from rentals or leases of tangible personal property
- All deductions and exemptions allowed by law and claimed in filing sales tax returns
- Other books and records as the taxpayer's business may require to show completely and adequately the liability of the taxpayer

Tax Liabilities

Successor Liability

If you are purchasing a business, Utah law requires you to withhold enough of the purchase money to cover any sales and use, withholding and certain fuel taxes due and unpaid until the former owner of the business produces a receipt from the Tax Commission showing that the taxes have been paid or a certificate showing that no taxes are due. If you fail to withhold the required purchase money and the taxes remain due and unpaid 30 days after the business is sold, you will be personally liable for payment of the taxes collected and unpaid by the former owner.

Personal Liability

Individuals who control the finances of a corporation, LLC, LLP, partnership, or other entity may be held personally liable for that entity's failure to collect or remit certain trust fund taxes. Trust fund taxes are monies that the entity is required to collect or withhold on

behalf of the State of Utah. The following taxes are trust fund taxes:

- Withholding tax
- Sales and use tax
- Transient room tax
- Resort communities tax
- Tourism tax
- Certain fuel taxes
- Public transit tax

If an entity required to collect trust fund taxes fails to collect or remit those taxes, the Tax Commission may assess a penalty equal to 100 percent of the unpaid trust fund taxes on any responsible individual within the entity.



Utah Department of Workforce Services

140 East 300 South
Salt Lake City, UT 84111
(801) 526-9675
<http://dws.state.ut.us>

The Department of Workforce Services is Utah's Job Connection. Workforce Services consolidates all employment-related functions into one service delivery system, facilitating the Department's primary goal of connecting employers with qualified job seekers.

The mission of the Department of Workforce Services is to provide quality, accessible and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers and the community.

The Department provides a wide array of services to both employers and job seekers. Services to employers include:

- Selection from the largest job applicant pool in Utah
- Pre-screened applicants
- Administration of Unemployment Insurance contributions
- Administration of the New Hire Registry program
- Free job posting

- Consultation on appropriate interviewing and employment practices
- Job fairs
- Employee bonding services
- Workforce information
- Development of work/life policies that aid in recruitment and retention of qualified workers
- Layoff consultation
- Tax credits
- Free use of Department facilities for interviewing
- Assistance with welfare-to-work initiatives
- Employer seminars on topics of interest
- Administration of the Federal Workforce Investment Act

The Department's employment centers are conveniently located throughout the state. Employers who do not wish to visit an employment center may access services via phone or Internet.

State Unemployment Insurance

Contact:

Utah Department of Workforce
Services, Unemployment Insurance
Salt Lake/Davis Counties: (801) 526-4400
Weber/North Davis Counties: (801) 612-0877
Provo: (801) 375-4067
Other areas / out of state: 1-888-848-0688

The State Unemployment Insurance Program, covered under the Utah Employment Security Act, is administered by the Utah Department of Workforce Services. The program provides for the collection of monies from employers for the payment of benefits to workers who are unemployed through no fault of their own. These benefits are paid to lighten the burden of unemployment for individuals and to maintain their purchasing power in the community. More information is provided in *The Employer Handbook* and *Facts About Unemployment Insurance in Utah*, free publications provided by the Department of Workforce Services.

New Hire Reporting

Federal law now requires all employers to report new employees to a State New Hire Registry. This information is used to locate individuals who are delinquent in their child support payments.

The Department seeks to reduce the time and complication involved with the program by providing employers with familiar reporting options. New hires may be reported using the following methods:

- Mailing or faxing a copy of the employee's W-4
- Mailing or faxing an equivalent form (the Department provides forms free of charge)
- Submitting the information on diskette, magnetic tape or cartridge, or transmitting by modem to the Department's electronic bulletin board

Employers are required to report the following information within 20 days of hire:

- Employee name
- Employee address
- Employee Social Security Number
- Employer name
- Employer address
- Federal Employer Identification Number

Multi-state employers may designate one state to report all their operations.

Status of a Business

The employer must first file a Status Report with the Department of Workforce Services. This report registers the business with the department, which then determines if the employer is subject to the Utah Employment Security Act. The Status Report should be completed within 10 days of starting a business. The report is required even though a business may have no employees.

Form: Department of Workforce Services
Form 1 - Status Report

Deadline: Filed within 10 days of starting a business.

Unemployment Insurance Program

Any employer who pays at least \$140 in wages in a calendar quarter becomes subject to the Utah Employment Security Act and must file quarterly reports and make quarterly payments. An employer must report all wages, regardless of the amount.

For purposes of this program, wages include payments made in cash, or any other medium, such as merchandise, meals, lodging or exchange of service. Wages for persons working under any oral or written contract of hire must be reported unless they are bona fide contractors or an independent business performing similar services for more than one client.

Filing Quarterly Reports

Employers who are subject to the Utah Employment Security Act must file a quarterly report. This report is mailed to employers near the end of each calendar quarter and contains all the information necessary for an employer to report gross wages paid and make the required quarterly contribution. The report must be filed by the last day of the month following the end of the quarter. Penalties are assessed for failure to file and pay on time.

Form: Department of Workforce Services
Form 3 - Employer's Contribution Report

Note: For further information on the Utah Employment Security Act, contact the Department of Workforce Services for a free copy of *The Employer Handbook*.

Unemployment Contribution Rate

The Department of Workforce Services determines the unemployment contribution rates by using a formula that compares unemployment benefits paid to former workers of the business (benefit costs) with taxable wages paid by the business during one to four fiscal years. Fiscal years for this purpose run from July 1 to June 30. An employer's benefit costs for one to four fiscal years are divided by taxable wages reported for the same period to determine the basic

contribution rate. If the business is acquired from another operator, the benefit costs and taxable wages of both the current and previous owner will be used in this calculation.

The basic rate is adjusted by a reserve factor to provide for an adequate reserve balance. In addition, all employers pay a social tax, which represents benefit costs not assigned to a specific employer. The basic rate, adjusted by the reserve factor, plus the social tax, determines an employer's overall contribution rate. Rates are assigned each calendar year.

If an employer does not have at least one fiscal year of payroll experience, he is considered to be a new employer. New employers are assigned a basic rate equal to the average rate for all employers in the industry that is most similar to the new employer's business activity. The employer's business activity is determined from information provided by the employer on the Status Report.

Contractors

Contact:

Utah Labor Commission
Industrial Accidents Division

When you have someone work in your business, you must determine whether that person is your employee or an independent contractor. There are several criteria used in determining independent contractor/employee status.

Independent contractors are not employees but may be deemed such for workers' compensation purposes. Some employers, in an effort to reduce personnel costs, have designated certain workers as "independent contractors" in violation of Utah law. Simply calling a worker an independent contractor is not sufficient. There are several factors that the courts will consider when determining whether an employer-independent contractor, or an employer-employee relationship exists.

Factors that indicate an employer-employee relationship include the following (this is not an all-inclusive list).

An employer:

- Has the right to fire the employee
- Provides the tools or expensive equipment and the place to work
- Sets the hours of work
- Pays for business or travel expenses

An employee:

- Must personally perform the services
- Receives hourly, weekly or monthly, pay for services

Factors that indicate an employer-independent contractor relationship include the following.

A subcontractor:

- Can make a profit or suffer a loss
- May be liable for damages if he/she quits before the completion of the job
- Performs similar work for more than one person or firm at the same time
- Advertises his services to the general public
- Pays all expenses and owns or provides all equipment
- Can hire assistants or subcontract the work

More information on independent contractor/employees is listed in the next section. Information is also available in IRS Publication 15A, which can be ordered by calling the IRS toll free at 1-800-829-3676.



Utah Antidiscrimination and Labor Division (UALD)

Utah Labor Commission
160 East 300 South, Box 146630
Salt Lake City, UT 84114-6630
(801) 530-6801

State Labor and Wage Information

Contact:

Utah Labor Commission
Employment Standards Bureau

Employees not covered by federal standards are covered by state standards. Any person desiring additional assistance or other information may contact UALD at the Utah Labor Commission.

Hours Employed

Contact:

Utah Labor Commission
Employment Standards Bureau

Hours employed includes all time during which an employee is required to be working, to be on the employer's premises ready to work, to be on duty, to be at a prescribed work place, to attend a meeting or training, and for time utilized during established rest or break periods, excluding meal periods of 30 minutes or more when the employee is relieved of all responsibilities.

There are certain rules and regulations that apply to all private sector employers. They are as follows.

Terminating Employees

When an employer separates an employee from his payroll by discharge or by layoff, the unpaid wages of such employee are due immediately and must be paid within 24 hours of separation.

Resignation by Employee

If an employee resigns employment, the unpaid wages of the employee become due and payable on the next regular payday.

Regular Paydays

- The employer must establish a minimum of two pay periods per month.
- Wages are to be paid within 10 days after the end of the pay period on regular paydays.
- The employer must notify the employee as to the paydays and the rate of pay the employee will be receiving.
- The employer must furnish the employee with a statement each payday showing the total amount of each deduction from the employee's wages.

Payroll Electronic Transfer

An employee may refuse to be paid wages by electronic transfer, unless:

- 1) The employer's previous year's federal employment tax deposits were at least \$250,000.
- 2) At least two-thirds of the employees have their wages electronically transferred.

The employer cannot designate a particular depository institution for the exclusive payment or deposit of a check for wages.

Uniforms

Where the wearing of uniforms is a condition of employment, the employer must furnish the uniforms free of charge.

The term "uniform" includes any article of clothing, footwear, or accessory of a distinctive design or color required by an employer to be worn by employees.

Any article of clothing which is associated with a specific employer by virtue of an emblem (logo) or distinct color scheme shall be considered a uniform.

The employer may, at his or her option, request an amount, not to exceed the actual cost of the uniform or twenty dollars, whichever is less, as a deposit on each uniform required by the employer. The deposit must be refunded to the employee at the time the uniform is returned.

Minimum Wage/Child Labor

Contact:

Utah Labor Commission
Employment Standards Bureau

The Utah Minimum Wage Act of 1990 establishes a state minimum wage for those employees not covered by a Federal Minimum Wage. Where not covered by a Federal Minimum Wage, the following minimum wages apply:

- Adults \$5.15
- Minors (under 18) \$5.15
 - › A minor employee may be paid \$4.25 an hour for the first 90 days of employment with an employer.
- Tipped adults and minors \$2.13
 - › See the "Tipped Employees" section under Federal Labor and Wage Information for definition of tipped employees.

Certain exemptions from state minimum wage coverage apply. For more information you may contact the UALD of the Utah Labor Commission.

Improper Agreements

Contact:

Utah Labor Commission
Employment Standards Bureau

Any agreement or contract, written or otherwise, between any employer and any employee or his representative, in contravention of the provisions of Chapter 28, Title 34, Utah Code Annotated (unless approved by the Division) or of the permitted deductions and offsets enumerated in Rule R610-3-18 shall be null and void.

Permitted Deductions and Offsets

Contact:

Utah Labor Commission
Employment Standards Bureau

Before any deductions are removed from an employee's check for discipline or damages, an employer may contact the UALD at 530-6801 for explanation and information.

Youth Employment

Contact:

Utah Labor Commission
Employment Standards Bureau, or,

U.S. Department of Labor
10 West 300 South, Suite 307
Salt Lake City, UT 84114
(801)524-5706

No youth under the age of 16 shall be permitted to work in excess of four hours in one school day, nor before 5:00 a.m. or after 9:30 p.m. unless the next day is not a school day, nor in excess of 8 hours in any 24-hour period. Youth 14 and 15 years of age can work in nonhazardous occupations such as retail stores, restaurants, fast food, service stations, lawn care, janitorial and other occupations not determined harmful by the Labor Commission. There are 17 hazardous occupations that youth under the age of 18 cannot perform. A complete list can be obtained from UALD at the Utah Labor Commission.

If an enterprise or individual employee is subject to the Fair Labor Standards Act (FLSA), the child labor provisions are differ-

ent and generally more restrictive than state law.

Antidiscrimination

UALD is charged with receiving, investigating and determining complaints of discrimination in both employment and housing. This is accomplished through mediation, investigation and community outreach and education.

Employment

The Utah Antidiscrimination Act applies to all employers with at least 15 or more employees. An Individual must file a complaint within 180 days from the last date of harm for UALD to have jurisdiction to investigate the complaint.

It is a discriminatory or prohibited employment practice to refuse to hire, promote, discharge, demote, terminate, or to retaliate against or to discriminate in matters of compensation or in terms, privileges, and conditions of employment against any persons otherwise qualified, because of race, color, sex, pregnancy or pregnancy-related conditions, age (40 and over), religion, national origin, or disability.

Employment Agencies

Utah law requires employment agencies to be licensed by the Antidiscrimination and Labor Division. This license must be obtained before a business license is issued and must be renewed each calendar year. There is no fee for this license. A license application form and specific licensing requirements may be obtained from UALD.

Fair Housing

Under the Fair Housing Act, it is a prohibited housing practice to discriminate in the rental, sale and financing of residential housing against any person who is otherwise qualified, because of that individual's race, color, sex, national origin, disability, religion, familial status, disability, or source of income (being a recipient of government assistance).

Any person desiring information or assistance may call UALD at the Utah Labor Commission.



Workplace Safety & Health Consultation Services

Utah Labor Commission
160 East 300 South, 3rd Floor
PO Box 146650
Salt Lake City, UT 84114-6650
(801) 530-6855 or 1-800-530-5090
Fax: (801) 530-6992

Consultation/Education Services

Consultation and educational assistance are available to assist employers in meeting the state's safety standards. The following services are available to employers and will not result in a compliance inspection.

- Identification of workplace safety and health hazards
- Definition of the extent of the hazard and the degree to which employee exposure is possible
- Information as to the measures, methods or means for correction of identified hazards that are technically sound and economically feasible
- Education of employers and training of their employees in the recognition, avoidance and prevention of unsafe or unhealthful conditions in places of employment
- Assistance to employers in better understanding their safety and health obligations and proper interpretation of rules and regulations affecting work place conditions
- Analysis of the establishment's management system and how it addresses the decision-making process with regard to employee safety and health.



UOSH Division

Utah Labor Commission
160 East 300 South, 3rd Floor
PO Box 146650
Salt Lake City, UT 84114-6650
(801) 530-6901 or 1-800-530-509
Fax: (801) 530-7606
www.labor.state.ut.us

UOSH

The Utah Occupational Safety and Health Division (UOSH) is a federally approved state plan. UOSH preserves human resources by providing safety and health assistance through consultation, training and education for employees and employers, and by establishing and enforcing occupational safety and health standards. The Utah Occupational Safety and Health Act is found in Chapter 6, Title 34A, Utah Code Annotated.

Employers

Employers covered under the UOSH Act include all private employers with one or more workers, and all state and local government agencies including school districts and special service units. UOSH does not cover mine operations, railroads or federal employers. Federal OSHA covers Hill Air Force Base.

Each employer must furnish employees a place of employment free from recognized hazards that do cause or are likely to cause death or physical harm to employees. Employers must comply with the Act and with UOSH standards or rules. Employers must investigate all worker injuries or occupational diseases; and, within twelve hours of occurrence of any fatality or significant injury, must give notice to UOSH.

If the injury or occupational disease results in medical treatment, loss of consciousness, loss of work, restriction of work or transfer to another job, an "Employer's First Report of Injury or Occupational Disease" must be submitted to the Labor Commission **within seven days**. First aid cases need not be submitted unless a physician is required to file a report. Employees must be given a copy of this report.

All information on injuries and occupational diseases submitted to the Labor Commission by employers may need to be recorded on the employers "Occupational Injury and Illness Log," Form 200. For questions concerning recordability, contact UOSH Statistics at (801) 530-6823.

Employers or a representative may accompany all UOSH safety and health officers during an inspection.

Employers may request free workplace safety and health consultation services. This service will not result in a compliance inspection nor penalties. For more information, call (801)530-6855.

Employees

Each employee must comply with UOSH standards and any employer rules pertaining to work place safety and health.

Employees or their representatives may file a complaint with UOSH if it is believed a violation of the Act or UOSH standards exists. Such complaint may be written on forms provided by UOSH, in letter form, or submitted electronically from the UOSH webpage.

Employees or their representatives have the right to accompany a UOSH safety and health officer during an inspection, to observe all monitoring of conditions, and to confer privately with UOSH during any part of an inspection.



Safety Division

Utah Labor Commission
160 East 300 South, 3rd Floor
PO Box 146620
Salt Lake City, UT 84114-6620
(801) 530-6850

Boiler Inspection

Contact:

Utah Labor Commission
Boiler Section, Safety Division

Boilers and pressure vessels in public buildings or businesses must be inspected and certified for safe operation, as required under Chapter 7, Title 34A, Utah Code Annotated. High-pressure boilers must be inspected annually and low-pressure boilers every two years. Pressure vessels must be inspected every four years. If the boiler pressure vessel is insured, insurance

inspectors deputized by the Safety Division inspect and report to the Labor Commission. If the owner of the boiler or pressure vessel elects to not insure a boiler to which Utah's boiler and pressure vessel law applies, the Safety Division of the Labor Commission will do the inspection. Fees for the certificates to operate range from \$30 to \$450. The Safety Division publishes a *Utah Boiler and Pressure Vessel Compliance Manual* as an aid to compliance. For information regarding boiler or pressure vessel safety, contact the Safety Division.

Elevator Inspection

Contact:

Utah Labor Commission
Elevator Section, Safety Division

Elevators in public buildings or businesses must be inspected and certified for safe operation as required under Chapter 7, Title 34A, Utah Code Annotated. All elevator-like devices (escalator, moving walk, wheelchair lift, or other similar transportation device) which transport people must be inspected every two years. Fees for the certificates to operate range from \$85 to \$700. The safety Division publishes a *Utah Elevator Safety Compliance Manual* as an aid to compliance. For information regarding elevator safety, contact the Safety Division.

Mine Certification

Contact:

Utah Labor Commission
Mine Section, Safety Division

Certain occupations in Utah's coal mines require certification, as required under Chapter 2, Title 40, Utah Code Annotated. Certified mine electricians must re-certify annually. Fees for the certification examinations range from \$20 to \$50. For information regarding mine certifications may contact the Safety Division office at the College of Eastern Utah in Price at (435) 637-2120 extension 5204.



Division of Industrial Accidents

Utah Labor Commission
160 East 300 South, 3rd Floor
Salt Lake City, UT 84114-6610
(801) 530-6800
Fax: (801) 530-6804

Workers' Compensation Insurance

Most employers, including all subcontractors who are sole proprietors and partners, are required to have workers' compensation insurance. An employer is defined under the Workers' Compensation Act as one who employs one or more workers or operatives regularly in the same business. Other criteria include being in or related to the same establishment, under any contract of hire, express or implied, oral or written, including aliens and minors. It does not include persons whose employment is casual and not in the usual course of trade, business or occupation of the employer.

By covering employees under the Workers' Compensation Act, the employer generally is ensured immunity from lawsuits due to any job-related injury or illness. The employee is paid a certain percentage of his or her wage while unable to work, subject to a maximum, and an additional benefit for any permanent partial impairment sustained due to the industrial injury. All medical bills are paid in full as long as they are related to the industrial accident. In addition, benefits are paid to the dependents of deceased workers, as well as some burial expenses.

The Industrial Accidents Division, a division of the Utah Labor Commission, will fine a minimum of \$1,000, or up to three times the amount of the premium (with premium defined as 150 percent of the average weekly wage times the highest number of employees) of any non-complying employer for violations of the mandatory insurance provisions of the Utah Code. The Division will also take legal action to close a place of business that does not provide workers' compensation coverage for its employees.

Ways to Obtain Coverage

Information regarding workers' compensation insurance may be obtained by contacting the

Utah Labor Commission at (801) 530-6800. Generally, employers may:

- Purchase coverage from the Workers' Compensation Fund (also the insurer of last resort)
- Purchase coverage from any private insurance company authorized to write workers' compensation insurance in Utah (an insurance broker can be of assistance)
- Apply to the Labor Commission for permission to self-insure
 - › This privilege is granted only to large employers with firm financial status and well-documented loss records, such as public utilities, government entities, and national corporations.

Who Should Be Covered

Every employer, including subcontractors who are sole proprietors and partners, with the exception of some agriculture and domestic employers, must provide workers' compensation insurance for employees. The following employers are not required to provide workers' compensation insurance coverage. Coverage is, however, available to any of these who choose to acquire it.

- **Agricultural employers** who meet either of the following conditions:
 - › Their employees are all members of the immediate family of the employer and who have a proprietary interest in the farm, provided the inclusion of any immediate family member under the provisions of this title is at the option of the employer.
 - › Their annual payroll is less than \$8,000.
- Employers who do not employ one or more **domestic employees** for at least forty hours per week
- **Employers of casual employees**
 - › For example, coverage is not required for a home owner to employ someone to clean out the rain gutters on his private residence.

- › However, the owner of an apartment house doing maintenance as part of his business, must obtain coverage for a worker hired to clean out rain gutters on his apartment house unless he obtained the services of an independent contractor.

Under the Workers' Compensation Act, real estate agents or real estate brokers are not considered employees, workmen or operatives if the following three conditions apply:

1. Substantially all of the real estate agent's or associated broker's income for services is from real estate commissions.
2. The services of the real estate agent or associated broker are performed under a written contract specifying that the real estate agent is an independent contractor.
3. The contract states that the real estate agent or associated broker is not to be treated as an employee for federal income tax purposes.

The statutory employer law changed on May 1, 1995, making a general contractor liable for subcontractors who do not have workers' compensation coverage.

All employers who use the services of true independent contractors should obtain proof of workers' compensation insurance and liability insurance coverage from the independent contractors. Also, a formal, written contract should be maintained, which clearly outlines the nature of the contractor/independent contractor relationship.

The courts look for a preponderance of evidence when reviewing the above factors. Insurance company auditors can review employers' records to determine if a true contractor/independent contractor relationship exists and retroactively bill for all undeclared employees. If the employer has any questions, he or she should obtain legal advice.

Publications Available:

- Workers' Compensation Act – \$5.00
- Rules – \$5.00
- Employer's Guide – no charge
- Employee's Guide – no charge



Department of Environmental Quality

168 North 1950 West
PO Box 144810
Salt Lake City, UT 84114-4810
(801) 536-4400
www.deq.state.ut.us

Department of Environmental Quality

Utah has an ideal business climate: wide open spaces, a highly educated populace and a fine quality of life enhanced by the state's beautiful mountain ranges, red rock canyons and desert terrain. The Utah Department of Environmental Quality (DEQ) is committed to managing growth and economic development in a manner which does not sacrifice public health or environmental quality. Working in partnership with business, the public and other agencies, DEQ is protecting Utah's environment for the enjoyment of current and future generations.

New or expanding companies may need to obtain various environmental permits before construction begins. Permits are required for activities that could adversely affect the environment. A business will probably be regulated if it:

- Releases pollutants to the air, water or land
- Stores, treats or disposes of hazardous or solid waste

The process of obtaining environmental permits is not overwhelming. DEQ provides the information needed through the Planning and Public Affairs Office. A telephone call will start the necessary permitting process. DEQ can arrange a pre-design conference that will explain what permits are needed and how to get them.

Pre-Design Program

Contact:

Pre-Design Program
DEQ Planning and Public Affairs
(801) 536-4480 or 1-800-458-0145
Fax: (801) 536-0061

Businesses considering establishing or expanding facilities in Utah may use the Utah Department of Environmental Quality's pre-

design program to obtain environmental permits quickly and efficiently. Business owners should begin by sending a letter to the Office of Planning and Public Affairs, briefly explaining the business production process. DEQ will arrange a meeting with division representatives to introduce the permit process, explain which permits are required and detail pollution-prevention techniques.

Please allow at least two weeks notice so DEQ can have appropriate staff available to meet with you.

Processing time usually takes between 21 and 180 days, depending upon the permit or permits required. Complex and large-scale projects may require additional review time. Submitting complete and accurate information in the beginning reduces delays during review.

An environmental permit brochure that details requirements for various permits is also available through the Office of Planning and Public Affairs, or on-line at www.deq.state.ut.us/eqoas/library/permit.htm.

Small Business Assistance

Contact:

Small Business Ombudsman
(801) 536-4480

Small Business Assistance Program
Division of Air Quality
(801) 536-4000

Special assistance for small businesses is available. A Small Business Assistance Program is located within the Division of Air Quality to aid businesses with air permitting requirements. Other small business assistance is available to gasoline stations and other owners of underground storage tanks by contacting the Division of Environmental Response and Remediation, and to companies that generate small quantities of hazardous wastes from the Division of Solid and Hazardous Waste. Dentists and physicians can obtain assistance on X-ray programs from the Division of Radiation Control. For more information, call the Small Business Ombudsman.

Federal Government Requirements



U.S. Department of Justice

Immigration and Naturalization
Service (INS)
4730 Paris Street
Albrook Center
Denver, Colorado 80239-2804
1-800-755-0777

Employee Verification

Since the passage of the Immigration Reform and Control Act of 1986 (IRCA), employers must verify the employment eligibility of new employees.

The U.S. Department of Justice, Immigration and Naturalization Service (INS) requires employers to keep a completed federal I-9 form, Employment Eligibility Verification, for each employee (including U.S. citizens) hired after November 6, 1986. The I-9 form must be completed within three days from the date of hire. If an employee is hired for less than three days, the I-9 form must be completed at the time of hire.

Form I-9 and the instructions page must be made available to both the employer and the employee during the completion of the form. Employers may photocopy or reproduce the forms themselves, provided both sides are visible. An employer may obtain a limited number of copies from the INS office servicing their location, or they may be ordered in bulk from the following address:

Superintendent of Documents
U.S. Government Printing Office
Washington, DC 20402

If you have questions or need additional information, you must contact the INS office servicing Utah. Direct your letter to the attention of the Employer and Labor Relations Officer.



Internal Revenue Service (IRS)

IRS Offices:

50 South 200 East
Salt Lake City, UT 84111
324 25th Street, Room 1407
Ogden, UT 84401
88 West 100 North
Provo, UT 84601

IRS and State Tax Commission Co-location:

210 North 1950 West
Salt Lake City, UT 84134

Phone: 1-800-829-3676 (forms)
1-800-829-1040 (information)
(703) 368-9694 (tax fax)

Internet: www.irs.gov

IRS on the Internet

Taxpayers can access and print federal tax forms, instructions, tax publications and other tax information from the Internet.

Federal Tax Registration

Any newly formed business which pays wages to one or more employees or is required to file federal reports must apply for an Employer Identification Number (EIN) using Form SS-4. The EIN may be issued by an IRS office or, in some instances, by the Utah State Tax Commission.

The EIN is required on federal forms, as well as state and local government forms. It is also required as identification on business accounts, such as bank accounts, brokerage accounts, vendor accounts, etc.

Form: SS-4 - Application for Employer Identification Number

Federal Employer Record Keeping

The IRS does not normally prescribe the form a business should follow in keeping employee records; however, the information maintained should include the following:

- Amounts and dates of all wage payments subject to employer taxes
- Names, addresses, occupations and social security numbers of employees

- Period of employment (hiring date, termination date)
- Periods for which employees are paid while absent for illness or injuries and the amount of payment
- Employees' W-4 withholding exemption certificates
- Duplicate copies of quarterly and annual returns filed
- Dates and amounts of any tax deposits made

These records should be kept for a period of at least four years after the respective date the taxes are due or the date taxes are paid, whichever is later.

Federal Withholding Requirements

Federal employment taxes include taxes withheld from an employee's pay by the employer, such as Federal Income Tax, FICA (Social Security) and Medicare, as well as Federal Unemployment Tax (FUTA) paid by the employer only.

The Federal Circular E, Employer's Tax Guide, provides information on the employer/employee relationship, what constitutes taxable wages, the treatment of special types of employment, and special types of payments. The IRS also publishes a Tax Guide for Small Business. Free copies are available at local offices of the Internal Revenue Service or by calling 1-800-829-3676.

Income Tax Withholding

An employer must withhold income tax from an employee's wages, regardless of the amount paid. There are no minimum or maximum amounts of gross income from which to withhold.

The amount of income tax withheld from the employee's gross wages is determined by:

- Gross wages
- Pay-period frequency
- Marital status
- Exemptions claimed on the employee's W-4

The employer uses the information furnished by the employee on Form W-4 along with the circular E tables to determine the amount of income tax to withhold for each pay period. If an employee fails to furnish a W-4, the employer must withhold taxes as if the employee were single and had one withholding exemption. Copies of Form W-4 may be required by the IRS.

Social Security and Medicare Taxes (FICA)

The Federal Insurance Contributions Act (FICA) was enacted to insure income for retired persons who work for a certain period of time before their retirement. Social Security and Medicare taxes are paid by the employee and employer. There is a yearly ceiling on the amount of wages subject to FICA taxes.

Nearly all employees, employers and self-employed people are required to participate in the Social Security Program. Employers are required to withhold the appropriate percentage from an employee's pay and provide the employee a receipt for this deduction. The employer is required to keep records for each employee, match the employee's contribution, and make periodic deposits. Additional information can be obtained from the Internal Revenue Service or the Social Security Administration.

Depositing Requirements

An employer may be required to deposit employment taxes with an authorized commercial bank, domestic savings and loan association, credit union, or a Federal Reserve Bank. Information may be found in Circular E.

A Federal Tax Deposit, Form 8109, must accompany each deposit of withheld income and social security taxes. After applying for an Employer Identification Number, the deposit forms are automatically mailed to each employer. If none are received, Form 8109B can be obtained at your local IRS office.

Form: 8109 - Federal Tax Deposit filed with each withholding deposit

Quarterly Filing Requirements

An employer required to withhold income or social security taxes must file a quarterly return reporting the amounts withheld.

Criminal and civil penalties are provided for the willful failure to file returns and pay the tax or for willfully filing false or fraudulent returns.

Form: 941 - Employer's Quarterly Federal Tax Return

Deadline: Last day of month following close of each quarter

Quarters	Due Dates
Jan. - March	April 30
April - June	July 31
July - Sept.	October 31
Oct. - Dec.	January 31

Annual Filing Requirements

Contact:

Social Security Administration
46 West 300 South, Suite 100
Salt Lake City, UT 84101
(801) 524-4115 or 1-800-772-1213

By January 31 of each year, employees must be given three copies of Form W-2, "Wage and Tax Statement."

By February 28, copy A of Form W-2 must be sent to the Social Security Administration (SSA) Office along with Form W-3, "Transmittal of Wage and Tax Statements." The mailing address is printed on the back of Form W-3.

Employers filing 250 or more W-2 forms must file them on magnetic media (or electronically) unless the IRS grants a waiver. A penalty may be charged for failure to file on magnetic media (or electronically) when required. Employers are encouraged to file on magnetic media (or electronically) even if filing fewer than 250 W-2 forms.

Form: W-2 - Wage and Tax Statement
W-3 - Transmittal of Wage and Tax Statements (paper filing)
6559 - Transmitter Report and Summary of Magnetic Media

Deadline: January 31 following calendar year to employees; and February 28 to the Social Security Administration

Federal Unemployment Tax

An employer liable for withholding taxes is usually liable for Federal Unemployment Taxes (FUTA) as well. The Federal Unemployment Tax Act provides for cooperation between the states and the federal government in establish-

ing and administering the unemployment program. Employers may be liable for the state unemployment tax and not liable for FUTA.

If an employer pays wages of \$1,500 or more in any calendar quarter or has one or more employees in any 20 calendar weeks (not necessarily consecutive weeks), the employer usually must file Form 940 or Form 940EZ. Federal tax deposits may be required, depending upon amounts due.

Form: 940 - Employer's Annual Federal Unemployment (FUTA) Tax Return

Deadline: January 31 of the next calendar year

Federal Income Tax Record Keeping

You must keep records so that you can prepare a complete and accurate tax return. The law does not normally require any special form of records. You should, however, keep all receipts, canceled checks and other evidence to prove amounts you claim as deductions or credits. Records are adequate if they show current income on the basis of an annual accounting period. A record keeping system for a small business might include the following:

- Business checkbooks
- Summary of cash receipts
- Check disbursements journal
- Depreciation record
- Employee compensation record

You must have the books and records of your business available for inspection by the IRS. Keep records that support an item on your return until the statute of limitations runs out – usually three years after the return is filed or two years after the tax is paid, whichever is later. Employment records must be kept for four years.

Note: IRS Publication 583 contains more information on record keeping for your business. Contact the IRS for a free copy.

Federal Estimated Tax for Corporations

A corporation usually must make estimated tax payments if it expects its estimated tax (income tax less credits) to be \$500 or more. S corporations must also make estimated payments for certain taxes. A corporation

that does not pay estimated tax when due may be charged an underpayment penalty.

Form: 1120-W - Estimated Tax for Corporations

Deadlines: 15th day of the 4th, 6th, 9th and 12th months of the tax year

Federal Business Income Tax

Normally, the IRS requires you to report business activities each year, even if you have a loss for the year. How you report your income and expenses will depend on your business structure. Corporations normally file on Form 1120 or Form 1120S. Partnerships will normally file Form 1065. Sole proprietors normally report income and expenses on Schedule C of Form 1040.

When income or losses are received by a shareholder, partner or a sole proprietor, the information may be carried over separate schedules, and then to Form 1040. Information on necessary forms or schedules can be obtained from the IRS.

Estimated Tax for Individuals

When profits are to be carried over to Form 1040 by a sole proprietor, partner, or shareholder, it is possible that a declaration of estimated tax would be required. To determine if you are required to pay federal estimated tax payments, first project your net taxable income for the year. This estimate will include your profit or loss from the business, combined with any other taxable income you received for the year. You may be required to pay estimated tax payments if you do not have withholding to cover 90% of the total tax due for the year, or your tax due exceeds \$1,000.

Your estimated tax payment may include additional income tax due on business profits and self-employment tax. The self-employment tax provides social security coverage for self-employed workers. It is paid by self-employed persons in place of social security tax and Medicare payments that are normally withheld and matched by an employer. Self-employment tax is computed on Schedule SE and attached to Form 1040.

To calculate your estimated federal income tax and self-employment tax, use IRS Form 1040ES. Form 1040ES has instructions, a worksheet, and four declaration vouchers for use in sending in estimated tax payments. Use the worksheet to determine any income tax or self-employment tax

you may owe. Federal estimated tax payments are normally due quarterly. You may be charged a penalty if you do not make required payments, or for underestimating your tax payments.

Form: Form 1040ES - Estimated Tax for Individuals

Deadlines: Quarterly - April 15, June 15, September 15, January 15



U.S. Department of Labor

Wage and Hour Division
10 West Broadway, Suite 307
Salt Lake City, UT 84101
(801) 524-5706
www.dol.gov/dol/esa

Labor Laws For All Industries

Hours Employed

There are specific state and federal laws that apply to employers regarding the amount of wages you pay, youth employment, etc. Before determining which laws apply to your business, the criteria separating the two must be studied.

Federal Labor and Wage Information

The Fair Labor Standards Act (FLSA) establishes minimum wage, overtime pay, record keeping and child labor standards affecting full-time and part-time workers in the private sector and in federal, state and local governments.

Covered non-exempt workers are entitled to a minimum wage of not less than \$5.15 an hour. Overtime pay at a rate of not less than one and one-half times an employee's regular rates of pay is required after 40 hours of work in a workweek.

The FLSA contains some exemptions from these basic standards. Some apply to specific types of businesses; others apply to specific kinds of work.

Who is Covered

All employees of certain enterprises having workers engaged in interstate commerce, producing goods for interstate commerce, or handling, selling or otherwise working on goods or materials that have been moved in or produced for such commerce by any person are covered by FLSA.

A covered enterprise is one with related activities performed through unified operation or common control by any persons for a common business purpose and any of the following:

- Whose annual gross volume of sales made or business done is not less than \$500,000 (exclusive of excise taxes at the retail level that are separately stated)
- Is engaged in the operation of a hospital, an institution primarily engaged in the care of those who are physically or mentally ill, disabled or aged, and who reside on the premises, a school for children who are mentally or physically disabled or gifted, a preschool, an elementary or secondary school, or an institution of higher education (whether operated for profit or not for profit)
- Is an activity of a public agency

Any enterprise that was covered by FLSA on March 31, 1990, and that ceased to be covered because of the increase in the enterprise coverage dollar volume test, must continue to pay its employees not less than \$3.35 an hour and continues to be subject to the overtime pay, child labor and record keeping provisions of FLSA.

Employers of firms which are not covered enterprises under FLSA may still be subject to its minimum wage, overtime pay and child labor provisions if the employees are individually engaged in interstate commerce or in the production of goods for interstate commerce. Such employees include those who:

- Work in communications or transportation
- Regularly use the mail, telephone, or telegraph for interstate communication, or keep records of interstate transactions
- Handle, ship or receive goods moving in interstate commerce
- Regularly cross state lines in the course of employment
- Work for independent employers who contract to do clerical, custodial, maintenance or other work for firms engaged in interstate commerce or in the production of goods for interstate commerce.

Domestic service workers, such as day workers, housekeepers, chauffeurs, cooks or full-time baby-sitters are covered if either of the following apply:

- They receive at least \$50 in cash wages in a calendar quarter from their employers.
- They work a total of more than 8 hours a week for one or more employers.

Tipped Employees

Tipped employees are those who customarily and regularly receive more than \$30 a month in tips. The employer may consider tips as part of wages, but such a wage credit must not exceed the difference between the required cash wage of \$2.13 an hour and the applicable Federal Minimum Wage.

An employer who elects to use the tip credit provision must inform the employee in advance and must be able to show that the employee receives at least the minimum wage when direct wages and the tip credit allowance are combined. Also, employees must retain all of their tips, except to the extent that they participate in a valid tip-pooling or sharing arrangement. Tips should be reported to the employer by the employee and are subject to federal and state taxes. An employee can contribute 15 percent of tips received, after deducting the amount needed to make the minimum wage, as a tip pool.

Industrial Homework

The performance of certain types of work in an employee's home is prohibited under the law unless the employer has obtained prior certification from the Department of Labor. If you have questions about whether a certain type of work is restricted, or who is eligible for a certificate, or how to obtain a certificate, you may contact the local Wage-Hour office.

Sub-minimum Wage Provisions

The FLSA provides for the employment of certain individuals at wage rates below the statutory minimum. Such individuals include student-learners (vocational education students), as well as full-time students in retail or service establishments, agriculture or institu-

tions of higher education. Also included are individuals whose earning or productive capacity is impaired by a physical or mental disability, including those related to age or injury, for the work to be performed. Employment at less than the minimum wage is provided for in order to prevent curtailment of opportunities for employment. Such employment is permitted only under certificates issued by Wage-Hour.

Exemptions

Some employees are excluded from the overtime pay provisions or both the minimum wage and overtime pay provisions by specific exemptions.

Because exemptions are generally narrowly defined under FLSA, an employer should carefully check the exact terms and conditions for each. Detailed information is available from local Wage-Hour offices.

Federal Child Labor Requirements

Nonagricultural Jobs (Child Labor)

Regulations governing youth employment in nonfarm jobs differ somewhat from those pertaining to agricultural employment. In nonfarm work, the permissible jobs and hours of work, by age, are as follows.

1. Youths 18 years or older may perform any job, whether hazardous or not, for unlimited hours.
2. Youths 16 and 17 years old may perform any nonhazardous job, for unlimited hours.
3. Youths 14 and 15 years old may work outside school hours in various non-manufacturing, non-mining, nonhazardous jobs under the following conditions: no more than 3 hours on a school day, 18 hours in a school week, 8 hours on a non-school day, or 40 hours in a non-school week. Also, work may not begin before 7 a.m., nor end after 7 p.m., except from June 1 through Labor Day, when evening hours are extended to 9 p.m. Under a special provision, youths 14 and 15 years old enrolled in an approved Work Experience and Career Exploration Program (WECEP) may be employed for up to 23 hours in school

weeks and 3 hours on school days (including during school hours).

Fourteen is the minimum age for most nonfarm work. However, at any age, youths may deliver newspapers; perform in radio, television, movie, or theatrical productions; work for parents in their solely-owned nonfarm business (except in manufacturing or on hazardous jobs); or gather evergreens and make evergreen wreaths.

Farm Jobs (Child Labor)

In farm work, permissible jobs and hours of work, by age, are as follows:

1. Youths 16 years and older may perform any job, whether hazardous or not, for unlimited hours.
2. Youths 14 and 15 years old may perform any nonhazardous farm job outside of school hours.
3. Youths 12 and 13 years old may work outside of school hours in nonhazardous jobs, either with a parent's written consent or on the same farm as the parent(s)
4. Youths under 12 years old may perform jobs on farms owned or operated by parent(s), or with a parent's written consent, outside of school hours in nonhazardous jobs on farms not covered by minimum wage requirements.

Minors of any age may be employed by their parents at any time in any occupation on a farm owned or operated by their parents.

Record Keeping

The FLSA requires employers to keep records on wages, hours, and other items, as specified in Department of Labor record-keeping regulations. Most of the information is of the kind generally maintained by employers in ordinary business practice and in compliance with other laws and regulations. The records do not have to be kept in any particular form and time clocks need not be used. With respect to an employee subject to the minimum wage provisions or both the minimum wage and overtime pay provisions, the following records must be kept:

- Personal information, including employee's name, home address, occupation, sex, and birth date if under 19 years of age
- Hour and day when workweek begins
- Total hours worked each workday and each workweek
- Total daily or weekly straight-time earnings
- Regular hourly pay rate for any week when overtime is worked
- Total overtime pay for the workweek
- Deductions from or additions to wages
- Total wages paid each pay period
- Date of payment and pay period covered

Records required for exempt employees differ from those for nonexempt workers. Special information is required for homeworkers, for employees working under uncommon pay arrangements, for employees to whom lodging or other facilities are furnished, and for employees receiving remedial education.

Americans With Disabilities Act

Contact:

U.S. Department of Justice

The Americans With Disabilities Act (ADA) prohibits discrimination on the basis of disability in employment, programs and services provided by state and local governments, foods and services provided by private companies, and in commercial facilities.

The act contains requirements for new construction, for alterations or renovations to buildings and facilities, and for improving access to existing facilities of private companies providing goods or services to the public.

To obtain information, regulations and answers to general and technical questions, you may contact the U.S. Department of Justice by voice or on their Internet home page.

Telephone:

1-800-514-0301 (voice)
1-800-514-0383 (TDD)

Internet Access:

www.usdoj.gov/crt/ada/adahom1.htm

Table 4**Due Dates for State and Federal Tax Returns and Other Reports**

	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C
Tax Commission												
Beer Tax TC-386	31	28	31	30	31	30	31	31	30	31	30	31
Insurance Premium Tax TC-49 or TC-20			31									
Insurance Premium Tax Prepayments TC-670C or TC-420C				30			31			31		
Annual Sales Tax and Related Taxes* TC-71 or TC-71M and Schedules	31											
Quarterly Sales Tax and Related Taxes* TC-71 or TC-71M and Schedules	31			30			31			31		
Monthly Sales Tax and Related Taxes* TC-71S or TC-71V and Schedules	31	28	31	30	31	30	31	31	30	31	30	31
Quarterly Withholding TC-96Q	31			30			31			31		
Monthly Withholding TC-96M	31	28	31	30	31	30	31	31	30	31	30	31
Annual Withholding Reconciliation TC-96R and W-2s		28										
Corporate Income Tax (Estimated) TC-559				15		15			15			15
Internal Revenue Service												
Estimated Income Tax for Individuals 1040-ES	15			15		15			15			
Estimated Tax Corporations 11220-W				15		15			15			15
Withholding Quarterly Return Form -941**	31			30			31			31		
Reconciliation Income Tax Withheld W-3 and W-2s		28										
Federal Corporation 1120 and 1120S ***			15									
Federal Partnership Return 1065 ****				15								
Federal Form -940 or 940 EZ	31											
Dept. of Workforce Services												
Quarterly Employer's Contribution Report Form-3	31			30			31			31		

Notes: Due dates falling on **weekends and holidays** are due the next business day.

* Related taxes and fees are resort, transient room, tourism taxes, and the waste tire recycling fee.

** Payments may be due before the return; see Deposit Rules, IRS Pub 509.

*** Fiscal year returns are due on the 15th day of the third month following the end of the fiscal year.

**** Fiscal year returns are due on the 15th day of the fourth month following the end of the fiscal year.

Step 6: Implement Your Comprehensive Business Plan

Set Up Your Business

Before you open your doors for business, there are many steps you must take to both promote and conduct your business. You will want to open bank accounts at a local bank in which you have confidence. Often you will need to sign a lease to rent space with a reputable property management company or landlord. You may also wish to buy property. Contact your local telephone, electric, natural gas and water utility companies to begin your utility services at your business location. It is a good idea to print letterhead and business cards after all of these details have been addressed and completed. Carefully choose business signs that promote the image of your business and effectively market your product.

Secure a Professional Advisory Team

Successfully operating your business requires meticulous care in record keeping, financial accounting, inventory control, employee management, tax accounting, marketing and sales, and business planning. You should always seek the advice and counsel of professionals who are qualified to assist businesses in these areas.

Professional Services

The following organizations will refer you to qualified professionals for assistance:

Accounting Services

Utah Association of Certified
Public Accountants – UACPA
220 East Morris Ave., Suite 320
Salt Lake City, UT 84115
(801) 466-8022

Utah Society of Public Accountants
757 East South Temple, #125
Salt Lake City, UT 84102
(801) 363-1776

Legal Services

Utah Trial Lawyers Association Referral Svc.
645 South 200 East, Suite 103
Salt Lake City, UT 84111
(801) 531-7514

Utah State Bar/Lawyer Referral Service
645 South 200 East
Salt Lake City, UT 84111
(801) 531-9075, (801) 531-9077 or
1-800-698-9077

Review the Plan Continually

The business plan is often thought of as the road map for your company. It should be reviewed and revised as often as necessary to reflect changes in the market, economy, financial situation and employees. Should problems arise, go back to Step 1 and begin again to correct the problem. This should be done every year to keep current with changes. Be aware of what the competition is doing and make sure you keep pace. Implementation of the business plan allows the manager to test theories of how the company should be run and to calculate possible outcomes. The plan can be checked as those ideas are implemented to determine if the projections were accurate. This provides an early warning system and allows for prompt action to correct problems.

Each time a problem is identified and solved, variables that cause failure are eliminated and the chance of success increases.

Step 7: Going Out of Business

Dissolving or Terminating a Business

A corporation or other business entity may cease operations for many reasons and in a number of ways. When a business is terminated or its legal status changes, there are licensing and regulation requirements which must be met. There are also opportunities for improving the economic prospects at termination for owners and creditors through legal provisions of state and federal laws.

Essentially, following the same process of contact with all registration, taxing and licensing agencies (simply retracing the steps taken during start-up) will guide one through necessary termination procedures. Table 5 outlines some basic requirements.

Bankruptcy

Bankruptcy is a very complicated process and should be conducted only under the careful supervision of competent legal council. There are too many details to adequately discuss in this book.

Contact:

Utah Trial Lawyers Association
Referral Service
645 South 200 East, Suite 103
Salt Lake City, UT 84111
(801) 531-7514

Table 5

Going Out of Business

Agency/Authority	Necessary Steps
Department of Commerce	
Licensing	<ol style="list-style-type: none"> 1. Let license lapse at renewal, OR 2. Request that your license be suspended.
Corporation, Limited Liability Company, or Limited Partnership Dissolution/Cancellation	<ol style="list-style-type: none"> 1. File "Articles of Dissolution", "Certificate of Withdrawal", or "Certificate of Cancellation".
Name Utilization	<ol style="list-style-type: none"> 1. A registered "DBA" name remains reserved for a period of 3 years, and may be canceled at any time.
Utah State Tax Commission	
Sales and Use Tax	<ol style="list-style-type: none"> 1. Notify the Tax Commission in writing and return your sales tax license for cancellation. 2. File your final sales tax return within 30 days after the date the business is sold or closed.
Withholding Tax	<ol style="list-style-type: none"> 1. Notify the Tax Commission in writing. 2. File your final withholding tax return. 3. File your final annual reconciliation on or before February 28th.
Corporate Franchise Tax	<ol style="list-style-type: none"> 1. Contact the Department of Commerce to dissolve or withdraw your corporation. 2. File form TC-2001, Application for Tax Clearance, with the Tax Commission. 3. File a final corporate tax return. For example, if you are dissolving your corporation in March 1996 and you are a calendar year filer, the application for tax clearance and your final return are due 12/31/96. If you file your return after 12/31/96, your corporation liability is carried into the next year and another return will be due.
Department of Workforce Services	
Employer Quarterly Contribution Report (Form 3)	<ol style="list-style-type: none"> 1. Request quarterly report (form 3) for final filing. 2. File report stating the termination date of employees and that the report is final. 3. Pay unemployment contributions due. 4. Notify department if there is a successor who is taking over the business.
Internal Revenue Service (IRS)	
Federal Income Tax	<ol style="list-style-type: none"> 1. Request appropriate form to file for "short" tax year. 2. Indicate "final return" on the form. 3. Expect similar requirements and assistance as with state income tax.
Employees Withholding Taxes (941) and Unemployment Taxes (940)	<ol style="list-style-type: none"> 1. Requirements are similar to requirements with "Department of Workforce Service." 2. Write "final" on form or check the box marked "final" on the tax form.
Corporate Dissolution	<ol style="list-style-type: none"> 1. Must file form 966 within 30 days after the adoption of a resolution or plan to dissolve. Form 1099-DIV should also be filed reporting liquidated distributions to shareholders.

Directory of Agencies and Offices

Assistant Commissioner for Patents

Patent Applications
Washington, DC 20231
1-800-786-9199

Assistant Commissioner for Trademarks

2900 Crystal Drive
Arlington, Virginia 22202-3513
Trademark Info. (703) 308-9000

Bureau of Economic and Business Research

401 Kendall D. Garff Building
University of Utah
Salt Lake City, UT 84112
(801) 581-6333
www.business.utah.edu/bebr

Certified Development Companies

Deseret Certified Development Co.

595 East 3300 South
Salt Lake City, UT 84109
(801) 474-3232
Fax: (801) 493-0111
E-mail: deseretcdc@aol.com

Northern Utah Capital Corp.

2404 Washington Blvd., Suite 1000
Ogden, UT 84401
(801) 627-6687

Central Utah Branch of Deseret

Certified Development Company

288 North Orem Blvd.
Orem, UT 84057
(801) 221-7772

Chambers of Commerce

American Fork (801) 756-5110
Bear River (435) 257-7585
Beaver Valley (435) 438-2975
Blanding (801) 678-2539
Bountiful Area (801) 295-6944
Brigham City Area (801) 723-3931
Cache (435) 752-2161
Carbon County (435) 637-2788
Cedar City (435) 586-4484
Central Valley (Murray) (801) 263-2632
Clearfield/Layton (801) 546-1293
Delta Area (435) 864-4316
Emery County (435) 381-2547
Flaming Gorge (435) 784-3843
Hurricane Valley (801) 635-3402
Kaysville (801) 544-4178
Layton (801) 546-1293
Magna (801) 250-6414
Manti (435) 835-9691
Midvale (801) 561-3880
Moab (435) 259-7814
Monticello (435) 587-2992
Mount Pleasant (435) 462-2456
Nephi Area (435) 623-2980
Ogden Area (801) 621-8300

Panguitch (435) 676-8585
Park City (435) 649-6100
Payson Area (801) 465-2634
Pleasant Grove (801) 796-5130
Provo/Orem Area (801) 379-2555
Richfield (435) 896-4241
Roosevelt Area (435) 722-4598
Salt Lake Area (801) 364-3631
Sandy (801) 566-0344
South Salt Lake (801) 466-3377
Spanish Fork (801) 798-8352
Springville (801) 489-4681
St. George Area (435) 628-1658
Sugarhouse (801) 467-0844
Vernal Area (435) 789-1352
Wasatch (801) 654-3666
West Jordan Area (801) 569-5151
West Valley Area (801) 969-8755

Department of Agriculture

350 North Redwood Road
Salt Lake City, UT 84116
(801) 538-7100

Dept. of Alcoholic Beverage Control

1625 South 900 West
Salt Lake City, UT 84104
(801) 977-6800

Department of Commerce

160 East 300 South, Box 146701
Salt Lake City, UT 84114-6701
(801) 530-6955
www.commerce.state.ut.us

Division of Consumer
Protection (801) 530-6601
Division of Corporations and
Commercial Code (801) 530-4849
Division of Occupational and
Professional Licensing (801) 530-6628
Division of Public Utilities (801) 530-6651
Division of Real Estate (801) 530-6747
Division of Securities (801) 530-6600
Consumer Services (801) 530-6645

Department of Environmental Quality

168 North 1950 West
PO Box 144810
Salt Lake City, UT 84114-4810
(801) 536-4400
www.deq.state.ut.us

Air Quality (801) 536-4000
Drinking Water (801) 536-4200
Environmental Response &
Remediation (801) 536-4100
Radiation Control (801) 536-4250
Solid & Hazardous Waste (801) 538-6170
Water Quality (801) 538-6146

Department of Financial Institutions

324 South State Street, Suite 201
Salt Lake City, UT 84111
(801) 538-8830

Department of Health

288 North 1460 West
Salt Lake City, UT 84116
(801) 538-6101

Community Health Serv. (801) 538-6901

Department of Human Services

120 North 200 West
P. O. Box 45500
Salt Lake City, UT 84145-5500
(801) 538-4171

Div. of Family Services (801) 538-4100

Department of Insurance

State Office Building Suite 3110
Salt Lake City, UT 84114
(801) 538-3805

Department of Natural Resources

1594 West North Temple
Salt Lake City, UT 84116
(801) 538-7200

Parks and Recreation (801) 538-7220
Water Rights (801) 538-7240
Wildlife Resources (801) 538-4700

Department of Workforce Services

140 East 300 South
Salt Lake City, UT 84111 or
(801) 526-WORK
Fax: (801) 526-9211
www.dws.state.ut.us

Internal Revenue Service – IRS

Co-Location
210 North 1950 West
Salt Lake City, UT 84134

50 South 200 East
Salt Lake City, UT 84111

324 25th Street, Room 1407
Ogden, UT 84401

88 West 100 North
Provo, UT 84601

Forms 1-800-829-3676
Information 1-800-829-1040
Small Business Education (801) 799-6874
www.irs.gov

Lawyer Referral Service

645 South 200 East
Salt Lake City, UT 84111
(801) 531-9075 or 1-800-698-9077

in conjunction with:

Utah State Bar (801) 531-9077

Mountain West Venture Group

6952 South High Tech Drive, Suite A
Midvale, UT 84047-3756
(801) 537-5222

National Association for the Self Employed (NASE)

Gordon Thurman
Centennial Plaza, Suite 311
45 West 10000 South
Sandy, UT 84070
(801) 255-7131

National Association of Women Business Owners – Salt Lake Chapter

First Security Bank Building
1973 East 2100 South
Salt Lake City, UT 84106
(801) 579-8399

SCORE (Service Corps of Retired Executives)

169 East 100 South
Salt Lake City, UT 84111

Salt Lake City (801) 741-5251
Ogden Office (801) 625-5712
Logan (435) 752-2161
St. George (435) 652-7741
Provo (801) 373-8660

Small Business Development Center

Southern Utah University
351 West Center Street
Cedar City, UT 84720
(435) 586-5400

U.S. Copyright Office

U. S. Library of Congress
James Madison Memorial Building
Washington, DC 20559
(202) 707-9100 – Order Line
(202) 707-3000 – Information Line

U.S. Department of Labor

Wage and Hour Division
Employment Standards Administration
10 West 300 South, Suite 307
Salt Lake City, UT 84101
(801) 524-5706

U.S. Government Printing Office

Superintendent of Documents
PO Box 371954
Pittsburg, PA 15250-7954
(202) 512-1800

U.S. Securities & Exchange Commission

Salt Lake District Office
50 South Main, Suite 500
Salt Lake City, UT 84144
(801) 524-5796

U.S. Small Business Administration

Federal Building Room 2231
125 South State Street
Salt Lake City, UT 84138
(801) 524-3209
E-mail: steven.price@sba.gov
www.sba.gov

U.S. Dept. of Agriculture Rural Development

Federal Building, Room 5438
125 South State Street
Salt Lake City, UT 84138
(801) 524-4406
E-mail: jharvey@ut.usda.gov

Utah Alliance for Economic Development

100 East Center Street, Suite 3200
Provo, UT 84606
(801) 370-8101

UT Association of Certified Public Accountants – UACPA

220 East 2430 South, Suite 320
Salt Lake City, Utah 84115
(801) 466-8022

Utah Business Resource Network (UBRN)

Small Business Development Center
State Director's Office
South City Regional Center
1623 South State
Salt Lake City, UT 84115
1-888-599-UBRN

Utah Custom Fit Training

Utah State Office of Education
Applied Technology Division
250 East 500 South
Salt Lake City, UT 84111
(801) 538-7867

Utah Division of Business and Economic Development

324 South State, Suite 500
Salt Lake City, UT 84111
(801) 538-8700
Fax: (801) 538-8889
www.dced.state.ut.us/

Business Development (801) 538-8775
International Marketing (801) 538-8737
Office of Ethnic Affairs (801) 538-8829
Procurement (801) 741-4520
National Business
Development (801) 538-8800

Utah Information Technologies Association – UITA

6995 Union Park Center, Suite 490
Midvale, UT 84047
Phone: (801) 568-3500
Fax: (801) 568-1072
www.uita.org

Utah Labor Commission

160 East 300 South
Salt Lake City, UT 84114
(801) 530-6800
www.labor.state.ut.us

Industrial Accidents (801) 530-6800
Antidiscrimination and Labor (801) 530-6801
Consultation and Education (801) 530-6855

Safety, Boiler, Elevator and
Mine Certification (801) 530-6869
Utah Occupational Safety & Health
Administration (UOSH) (801) 530-6901

Utah Small Business Development Centers

SBDC State Director
Michael C. Finnerty
1623 South State Street
Salt Lake City, UT 84115
(801) 957-3480
www.slcc.edu/utahsbdc/

(see page 12 for listing of statewide SBDC addresses)

Utah Society of Public Accountants

757 East South Temple, #125
Salt Lake City, UT 84102
(801) 363-1776

Utah State Bar

645 South 200 East
Salt Lake City, UT 84111
(801) 531-9077

Utah State Office of Education

250 East 500 South
Salt Lake City, UT 84111
(801) 538-7500

Utah State Tax Commission

210 North 1950 West
Salt Lake City, UT 84134
(801) 297-2200 or 1-800-662-4335
www.tax.ex.state.ut.us

Utah Supplier Development Council

1901 East South Campus Drive, Room 151
University of Utah
Salt Lake City, UT 84112-9351
(801) 581-8169
Fax: (801) 581-8609

Utah Technology Finance Corp.

177 East 100 South
Salt Lake City, UT 84111
(801) 741-4249
www.utfc.org

Utah Trial Lawyers Association Referral Service

645 South 200 East, Suite 103
Salt Lake City, UT 84111
(801) 531-7514

Utah Ventures

419 Wakara Way, Suite 206
Salt Lake City, UT 84108
(801) 583-5922

Utah's Job Connection

See Department of Workforce Services

Wayne Brown Institute

P.O. Box 2135
Salt Lake City, UT 84110-2135
(801) 595-1141

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